

MALAYSIAN TIMBER INDUSTRY BOARD **Maskayu**

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BUMIPUTERA ROADSHOW PROGRAMME 2026

**MTIB Empowers Agencies with
Timber Roof Truss Expertise**

**The AI Revolution in Malaysia's
Timber and Furniture Marketing**



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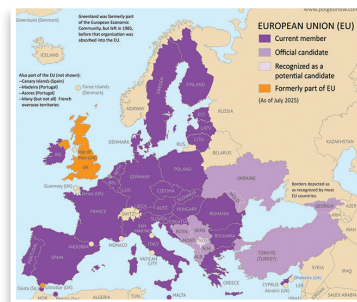
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BUMIPUTERA ROADSHOW PROGRAMME 2026

Prepared by: Puan Nur Hayani Adlina Abdur Rahim

In line with the National Agricommodity Policy 2021–2030 (DAKN2030) and the National Timber Industry Strategic Plan (NTISP), the Government has introduced various activities and programmes under the 13th Malaysia Plan (RMKe-13) in order to enhance participation and to increase performance of Bumiputera entrepreneurs in the timber industry. In this regard, the Malaysian Timber Industry Board (MTIB) is organising the Bumiputera Roadshow Programme 2026 as a platform for sharing and announcing the latest initiatives and programmes by MTIB and other related agencies to Bumiputera entrepreneurs in the industry.

The first roadshow commenced in the Northern Region, specifically in the state of Perak, on 4 February 2026. The programme began with welcoming remarks by YBrs. Dr. Haji Norazli Haji Ismail, Director of Bumiputera Economic Empowerment Division MTIB and was officiated by Orang Kaya-Kaya Laksamana Raja Mahkota, Dato' Haji Meor Redwan Mahayudin (Orang Besar Jajahan Hilir Perak).

The programme featured briefing sessions by invited speakers from Majlis Amanah Rakyat (MARA), SME Corp. Malaysia, and the Association of Malaysia Bumiputera Timber and Furniture Entrepreneurs (PEKA). This sharing platform covered topics on the entrepreneurial ecosystem

by MARA, the importance of the SME Competitiveness Rating for Enhancement (SCORE) 2.0, and the role of PEKA in the timber industry.

There were also sharing sessions by MTIB officers from the Licensing and Inspectorate Division regarding trader registration, and from the Bumiputera Economic Empowerment Division on incentives that are available to Bumiputera entrepreneurs. In addition, briefings on youth training programmes by the Wood Industry Skill Development Center (WISDEC) and laboratory testing facilities by the Fiber and Biocomposite Center (FIDEC) were given.

Aside from briefings, there were also information booths by various agencies, including one by CTCS Worldwide Sdn. Bhd. a subsidiary of MTIB.

A total of 40 participants attended the programme. They were given direct access to information, incentives, facilities, and market opportunities provided by MTIB and other government related agencies. Future roadshows will be held in other regions and states. The series is expected to end in April 2026. 





MTIB Empowers Agencies with Timber Roof Truss Expertise

Prepared by: Encik Mohd Asmawi Mohd Afandi

Malaysian Timber Industry Board (MTIB), through its Industry Development Division, organised the Awareness Workshop on the Use of Timber Roof Trusses for Technical Agencies from 8 to 11 February 2026 at Hotel VIP Segamat, Johor. The workshop reflected a strategic initiative aimed at strengthening the use of timber-based materials in the national construction sector in line with the government's aspiration towards sustainable and competitive development.

The workshop was conducted with the objective of providing comprehensive exposure and enhancing the level of technical knowledge among participants, particularly in relation to structural design, structural analysis, material specifications, installation techniques, as well as compliance with safety and quality standards in timber roof truss construction. In addition, the workshop emphasised the importance of understanding relevant guidelines and best practices to ensure that construction projects utilizing timber roof truss systems are implemented efficiently, safely, and to a high standard of quality.

The objective of the workshop also aligned with the government's plan to implement policies promoting the use of timber roof trusses, particularly for construction in coastal areas. In this context, timber is regarded as a more suitable alternative compared to conventional materials such as steel, due to its superior resistance to corrosion resulting from exposure to saline environments. Furthermore, the use of timber contributes to reducing carbon footprint and supports environmental sustainability through the utilisation of renewable resources.

The workshop was officiated by Ir. Ts. Dr. Izwan Johari, Director of the Industry Development Division. In his speech, Dr. Izwan emphasised the importance of strategic collaboration between government agencies and industry players in strengthening the use of timber as a key component in national infrastructure development. He further highlighted that such integrated efforts are essential in enhancing technical capabilities, strengthening the industry value chain, and contributing towards a more sustainable and competitive construction sector.



“Throughout the workshop, a total of six presentations were delivered by speakers comprising technical officers from the MTIB, representatives from the Public Works Department, as well as industry players, namely Multinail Sdn. Bhd. The talks covered various key aspects, including timber species selection, timber quality, fundamental principles of roof truss design, structural load analysis, application of technology and design software, as well as systematic installation techniques for timber roof truss systems. In addition, the sessions were complemented by technical discussions, which provided a platform for participants to exchange views and obtain further clarification on implementation-related issues encountered in practice.”

At the conclusion of the workshop, an industrial visit was conducted to Wah Sen Construction Sdn. Bhd., located near Segamat town. The visit aimed to provide participants with direct exposure to the manufacturing process of timber roof trusses, beginning from raw material selection, cutting and jointing processes using modern technologies, up to product quality control prior to construction application. This approach enabled participants to effectively integrate theoretical knowledge with actual industrial practices.

A total of 20 participants attended the workshop, comprising representatives from government technical agencies such as the Public Works Department (JKR), Department of Local Government (JKT), Forest Research

Institute Malaysia (FRIM), Construction Industry Development Board (CIDB), and Department of National Heritage (JWN). The participation of these agencies reflects a coordinated commitment to strengthening the adoption of timber as a primary material for roof truss systems.



The AI Revolution in Malaysia's Timber and Furniture Marketing

Prepared by: Dr. Shah Badri Mohd Nor

The Malaysian timber industry is carving out a new digital future with the successful completion of the AI Revolution in Timber and Furniture Marketing Workshop. This intensive two-day programme, held on 11 – 12 February 2026, at Tamu Hotel & Suites Kuala Lumpur, was specifically designed to move the industry beyond traditional methods into the era of high-efficiency digital storytelling.

The event was officially launched by YBrS. Encik Mohd Amin Kadir, Deputy Director General (Management & Operations), MTIB. His presence underscored the importance of digital transformation in maintaining Malaysia's competitive edge in the global wood-based market. The workshop brought together 40 participants, including representatives from various timber companies and MTIB officers, all eager to learn how modern technology can simplify complex marketing tasks.

Bridging Technology and Craftsmanship

The workshop was led by Ts. Low Wan Yuee, a digital transformation specialist with over 10 years of experience helping businesses adopt new technologies. Rather than focusing on complex coding, the programme highlighted accessible tools that are already available in Malaysia, ensuring that participants are able to apply their new skills immediately.

Key areas of the hands-on training:

Smart Content Creation: Participants learned to use writing assistants to craft compelling product narratives that highlight the unique qualities of Malaysian timber, significantly reducing the time spent on brochures and social media captions.

Professional Visual Design

- Using advanced design platforms like Canva's Magic Studio, attendees discovered how to create high-quality social media banners and product flyers without needing a background in graphic design.

Precision Advertising

- The session explored how intelligent tools within Google and Meta can find specific customer segments most likely to be interested in timber products, ensuring a better return on every marketing dollar spent.

Data-Driven Decisions

- Participants were shown how to turn website traffic and customer feedback into actionable insights, moving away from guesswork towards strategic planning.

Strengthening National Competitiveness

The true value of the workshop was in its long-term impact on the industry. Not only did the participants embrace theoretical knowledge, they also walked away with a one-page actionable marketing plan tailored to their specific business goals and a ready-to-use toolkit of templates and resources.

By empowering local timber entrepreneurs with these digital skills, the programme fosters a more agile and scalable industry. This initiative directly supports Malaysia's national goals for digital transformation, ensuring that the timber sector remains a vibrant and modern pillar of the national economy. As these companies begin to implement their new strategies, the industry can expect to see improved brand consistency, higher quality leads, and a significant boost in both local and international market expansion.





NIK LAH SDN. BHD.

Strengthening the Local Furniture Industry Through Technology and Industry Support

Prepared by: Encik Mohd Asmawi Mohd Afandi

Nik Lah Sdn. Bhd. (Nik Lah) is a local furniture manufacturing company that has long been established in Malaysia's wood-based industry. Founded on 16 December 1994, the company is led by its Managing Director, Encik Nik Asmawie Nik Abdullah. Initially focused on the production of furniture and wooden components, the company has grown steadily through technological advancements, skilled workforce development, and support from various industry agencies.

The company's main operational site is located in Pengkalan Chepa, with a factory area of approximately 21,000 square feet. This facility houses a range of modern machinery and equipment that support systematic and efficient furniture production processes.

Growth and Financial Support

Throughout its business journey, Nik Lah has received financial support from financial institutions to expand its operations. This includes financing from Bank Pembangunan Malaysia Berhad, which has helped provide additional capital to increase production capacity and improve factory facilities.

In addition, the company has benefited from various initiatives introduced by the Malaysian Timber Industry Board (MTIB), which plays a vital role in supporting the development of the country's wood-based industry. Through assistance schemes and matching grants provided by MTIB, Nik Lah has been able to enhance its technological capabilities by acquiring modern machinery to improve productivity and product quality.

Technology and Automation

In its efforts to enhance competitiveness and product quality, Nik Lah has integrated advanced machinery into its production operations. Among the technologies used are several high-tech machinery including a CNC (Computer Numerical Control) machine, which enable more precise, consistent, and efficient cutting and drilling of wooden panels.

The high-tech machines were obtained through MTIB's assistance programmes and matching grants. The use of this technology not only increases production capacity but also enables the company to produce furniture components with high precision while reducing raw material wastage.

Skilled Workforce

Currently, Nik Lah employs a total of 31 workers, covering management, design, and production operations. Half of the workforce consists of professional management staff such as administrators and designers who are involved in product planning and development while the remaining half are the operational workforce. These are skilled workers, most of whom hold the *Sijil Kemahiran Malaysia* (SKM) from the *Jabatan Pembangunan Kemahiran* (JPK), particularly in furniture manufacturing and wood-related work. This combination of professional and technical expertise allows the company to maintain high-quality standards in every product produced.

Products and Market

Nik Lah has been appointed as a vendor in the *Kontrak Panel Berpusat* (KPB) under the Ministry of Finance Malaysia (MOF), which allows the company to supply furniture to government agencies nationwide. In addition, the company also serves the domestic market, producing a wide range of furniture and wood-based components that meet the needs of the education, office, and residential sectors.

Among the products manufactured are:

- Educational furniture, such as student chairs and desks, teacher desks, dormitory cabinets, and similar items for educational institutions
- Office furniture, including executive desks, storage cabinets, and office fittings
- Residential furniture, such as kitchen cabinets, wardrobes, and various types of custom-made cabinets and furniture.

The products emphasise durability, functionality, and designs that meet modern user needs. The company also holds a Product Certification Scheme (PCS) certification from FRIM-PCS for its educational products. The company is also working towards obtaining other certifications for a wider range of products, including the Green Certification Scheme (GCS) from relevant authorities.

Role of MTIB in Company Development

Throughout its involvement in the furniture industry, Nik Lah has received various forms of support from MTIB in terms of industry development. In addition to matching grants for purchasing high-technology machinery, MTIB has also provided various assistance such as participation in the Wood & Lifestyle Fair (WLF), which aims to expand the market potential of wood-based products and promote a lifestyle centered on the use of local wood products.

Additionally, the company staff has also attended various courses and skills training programmes organised by MTIB to enhance their capabilities in wood processing technology, product design, and furniture industry management.

Future Plans

Moving forward, Nik Lah plans to further strengthen its position in the furniture manufacturing industry by increasing the use of technology, improving production processes, and developing more innovative products.

The company also aims to expand its market and increase product value through more creative designs and the use of advanced manufacturing technologies. With over three decades of experience in the industry, support from industry development agencies, and a skilled workforce, Nik Lah is confident in its ability to continue as a competitive local furniture company within Malaysia's wood-based industry.

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The Role of Wood in Sustainable and Timeless Home Decoration

Prepared by: Puan Noorakilah Abdul Manan

In 2026, home decor shifts from cold, minimal showrooms to spaces that emphasise comfort, personality, and warmth.

The Timeless Appeal of Wood in Home Decoration

Wood is widely valued in home decoration for its natural beauty, versatility, and durability. It remains a prominent choice across generations, providing warmth and authenticity that synthetic materials cannot match.

A Material That Transcends Trends

Unlike many decorative materials that rise and fall in popularity, wood has demonstrated a consistent relevance in interior design. Its adaptability allows it to complement a wide range of styles, from traditional and rustic settings to modern and minimalist spaces. Whether presented in its natural form or treated with contemporary finishes, wood maintains a timeless quality that ensures its continued attraction.

The variety of wood species, each with distinct grains, tones, and textures, further contributes to its enduring nature. Lighter woods can create a sense of openness and simplicity, while darker varieties introduce depth and sophistication. This diversity enables homeowners and designers to achieve both classic and contemporary aesthetics without compromising durability.

Functional and Aesthetic Advantages

Beyond its visual appeal, wood offers practical benefits that enhance its suitability for home decoration. It is a durable material capable of withstanding daily use, making it ideal for furniture, flooring, and structural elements. Over time, wood often develops a natural patina, which adds character and enhances its visual charm.

Additionally, wood contributes to a comfortable indoor environment. Its natural insulating properties help regulate temperature, while its organic texture creates a calming

and inviting atmosphere. These qualities make wood particularly effective in living spaces intended for relaxation and social interaction.

Versatile Applications in the Home

The timeless nature of wood is reflected in its wide range of applications within residential interiors:

- **Furniture:** Wooden furniture pieces, such as tables, cabinets, and bed frames, serve as long-lasting focal points that anchor interior design schemes.
- **Flooring:** Hardwood flooring remains a preferred choice for its durability and ability to complement various decor styles.
- **Wall and Ceiling Features:** Wooden panelling, cladding, and exposed beams add depth and architectural interest to interior spaces.
- **Decorative Accents:** Smaller elements, including frames, shelving, and handcrafted items, provide subtle yet impactful enhancements.

Sustainability and Longevity

In the context of increasing environmental awareness, wood also stands out as a sustainable option when sourced responsibly. As a renewable resource, it supports environmentally conscious design practices. Its longevity further reduces the need for frequent replacement, contributing to more efficient use of materials over time.

Conclusion

The enduring presence of wood in home decoration reflects its unique ability to combine beauty, functionality, and sustainability. Its timeless appeal lies in its versatility and its capacity to adapt to evolving design preferences while maintaining its essential character. As homeowners continue to seek materials that offer both aesthetic value and long-term reliability, wood will remain a fundamental element in creating elegant and enduring living spaces—shaping homes today and for generations to come.



Malaysia's exports of timber and timber products were recorded at RM1.8 billion for January 2026, an increase of 2% from RM1.79 billion in December 2025. However, on a year-on-year basis, exports of timber and timber products decreased by 4% from RM1.9 billion in January 2025 to RM1.8 billion in January 2026. The slight month-on-month improvement was primarily driven by an expansion of demand for wooden and rattan furniture, mouldings, particleboard, fibreboard, and BJC, which outweighed the fall in logs, sawntimber, plywood, veneer, wooden frames and other products.

According to the Global Timber Index (GTI) Report by ITTO, the timber sector in both Indonesia and Thailand returned to growth in January 2026, while activity declined in other countries across the tropics as well as in China. The ITTO-supported GTI tracks the performance of the timber sector in pilot countries in Africa, Asia, and Latin America. The GTIs for Indonesia (55.1%) and Thailand (54.2%) rose above the 50% threshold, indicating an upward trend in their timber sectors. However, the readings for 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%) were in contraction territory, suggesting that January saw an overall slowdown in those countries.

👉 *The sub-indices pointed to several encouraging regional developments. In Southeast Asia, domestic markets improved in both Indonesia and Thailand, where production volumes 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 stabilised after earlier declines.* 🗨️

Feedback from GTI sample enterprises indicated that raw material shortages and persistently high production costs remained common challenges confronting the timber sector 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 labour, 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 export of furniture and parts reached around USD1.80 billion in 2025, up nearly 24% 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. While Brazil's 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. On the supply side, the Union of Foresters and Wood Industries of Gabon (UFIGA) and the railway operating company SETRAG reached an agreement on 7 January to remove the requirement for cash payment prior to transportation, a move that would ease cash flow pressures on forestry operators. On the demand side, countries like Brazil, Mexico, and Ecuador have introduced new housing policies and targets that are expected to provide a tailwind for timber and furniture demand.

SAWNTIMBER

Total sawntimber exports in January 2026 declined by 8% in volume and 9% in value compared to December 2025, decreasing to 85,239 m³ valued at RM168.2 million from 92,895 m³ valued at RM184.2 million in the previous month.

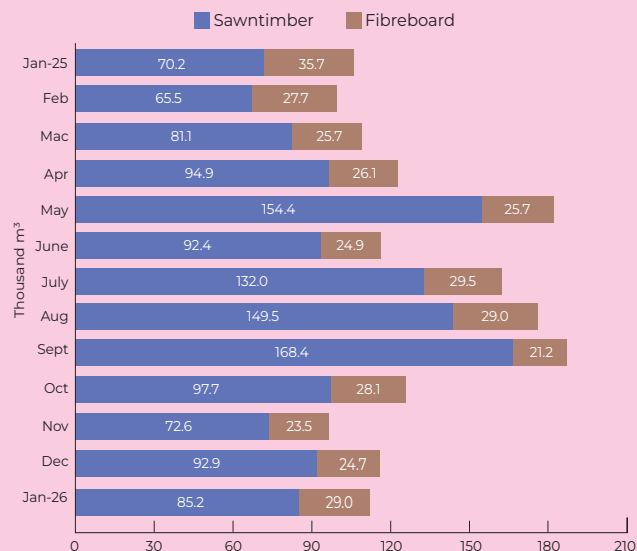
In the European Union, imports decreased by 13% to 3,943 m³ in January 2026 from 4,533 m³ in December 2025. Among member countries, the Netherlands decreased buying by 22% to 1,534 m³ from 1,972 m³, while Germany's imports remained relatively stable, easing slightly by 1% to 560 m³ from 563 m³. In contrast, Greece recorded an increase of 47% to 901 m³ from 614 m³. Exports to other European markets, comprising solely of the United Kingdom, decreased by 4% to 956 m³ from 998 m³ in December 2025.

In South Asia, shipments increased by 8% to 13,549 m³ from 12,605 m³ in December 2025. India recorded a decline of 11% to 5,442 m³ from 6,088 m³, while the Maldives and Sri Lanka posted increases of 29% and 22% to 3,267 m³ and 3,530 m³, respectively.

Exports to West Asia declined by 15% to 15,850 m³ from 18,620 m³ in December 2025. Despite the overall decline, shipments to the United Arab Emirates increased by 27% to 5,968 m³, Saudi Arabia increased buying significantly by 159% to 3,120 m³, while Oman recorded a marginal increase of 4% to 2,034 m³.

In East Asia, imports decreased markedly by 22% to 22,111 m³ from 28,401 m³ in December 2025. China recorded a sharp decline of 46% to 12,413 m³ from 23,020 m³, while Japan decreased buying by 16% to 2,315 m³ from 2,761 m³. In contrast, Taiwan's imports surged significantly by 538% to 6,300 m³ from 987 m³.

Malaysia: Export of Sawntimber and MDF



Shipments to ASEAN markets increased by 7% to 22,964 m³ from 21,514 m³ in December 2025. Thailand recorded a strong increase of 32% to 5,742 m³, and Singapore rose by 6% to 6,063 m³, while the Philippines declined slightly by 4% to 10,275 m³.

Exports to Africa declined significantly by 50% to 1,825 m³ from 3,645 m³ in December 2025. South Africa dropped buying sharply by 55% to 1,575 m³, while Mauritius decreased buying by 23% to 117 m³.

Meanwhile, exports to North America increased substantially by 62% to 3,057 m³ from 1,893 m³, mainly driven by higher shipments to the United States, which rose by 60% to 3,023 m³.

Exports to the Oceania/Pacific region increased by 55% to 985 m³ from 636 m³, with Australia increasing purchases by 60% to 985 m³.

The average FOB price for sawntimber in January 2026 was recorded at RM1,973 per m³, representing a slight decrease of 1% from RM1,983 per m³ in December 2025. By species, Dark Red Meranti (DRM) declined by 24% to RM1,824 per m³, while Keruing decreased by 21% to RM2,417 per m³. In contrast, DRM exports to the Netherlands increased by 8% to RM3,249 per m³. No trade was recorded for Redwood (UAE) during the month.

According to the Global Timber Index (GTI) Report, supported by the International Tropical Timber Organization (ITTO) and reported by Wood Resource (2026), the global timber industry started in January 2026 with an overall contraction, as indicated by the Global Timber Index (GTI), with most tracked countries falling below the 50% expansion threshold. The GTI-Producers index stood at 48.9%, signaling a general reduction in production and output across major tropical countries. Key markets such as China (45.0%) and Malaysia (37.5%) remained in contraction territory, reflecting continued weakness in demand and industry activity.

The industry continues to face structural pressures, particularly shortages of raw materials and rising production costs, including labour, fuel, and logistics, which are compressing margins globally. Despite these challenges, some positive signals emerged, particularly in export performance. Brazil's sawn timber exports increased by 5% to 2.96 million m³ in 2025, while Thailand's furniture exports grew by 24% to USD1.8 billion. Several countries in Latin America have also introduced housing and construction policies to stimulate demand. Overall, the sector is undergoing adjustment, with greater emphasis on cost efficiency, supply chain diversification, while recovery in key markets such as China remains critical to supporting global timber demand.

PLYWOOD

Export of plywood in January 2026 recorded a decrease of 2% in volume at 89,009 m³ and a 0.2% decrease in value to RM185.7 million compared to the previous month. However, on a year-on-year basis, exports in January 2026 increased by 3% in volume to 89,009 m³ and by 4% in value to RM185.7 million compared to the corresponding period in 2025. The East Asia market recorded a declining trend of 6% to 42,749 m³ from 45,357 m³ in December. Japan as the largest importer in the region, increased its purchases by 5% to 40,121 m³. Both South Korea and Taiwan reduced their purchases by 56% to 1,147 m³ and 67% to 1,337 m³ respectively. In the ASEAN region, imports decreased by 4% from 4,554 m³ to 4,368 m³ compared to last month. Plywood exports to Viet Nam, Singapore and the Philippines improved by 148% to 1,486 m³, 22% to 1,256 m³ and 160% to 928 m³ respectively.

In the South Asia region, the plywood imports recorded a decrease of 8% from 142 m³ to 131 m³. The Maldives reduced its purchases by 36% to 91 m³, while India resumed its purchases with 40 m³. The West Asia region recorded a sharp increase of 240% to 11,151 m³ from 3,284 m³ in the previous month. Yemen and the UAE increased their imports by 517% to 10,142 m³ and 130% to 666 m³ each.

Moving to the EU region, imports by the region recorded an increasing trend, rising by 27% from 3,728 m³ to 4,728 m³. Italy decreased its purchases by 25% to 1,274 m³ while Greece increased buying by 51% to 663 m³. Slovenia recorded new imports of Malaysian plywood to 1,839 m³. In other parts of Europe, exports recorded a decrease of 41% to 5,285 m³ from 9,022 m³ in the previous month. Plywood imports by the UK and Türkiye dropped by 43% to 3,016 m³ and 39% to 2,269 m³, respectively.

In the Africa region, plywood exports recorded an increase of 193% from 43 m³ to 126 m³ driven by new imports by South Africa. The North America region recorded a decrease of 22% from 22,465 m³ to 17,461 m³. The USA as the main buyer reduced its purchases by 15% to 17,418 m³, while Mexico and Canada did not record any imports during the month. In the Oceania/Pacific region, plywood exports improved by 74% from 1,735 m³ to 3,011 m³, driven by imports from Australia.

The FOB price of plywood in January 2026 was recorded at RM2,087 per m³, an increase of 1% from RM2,059 per m³ in the previous month.

Following a year of strong performance and signs of stabilisation in 2025, construction markets across

the Asia Pacific (APAC) are entering 2026 in a more balanced position and are set for sustained growth and stability, according to a new report by Linesight. Despite persistent labour and cost challenges, the company's latest Construction Market Insights reveals that most APAC construction markets are expected to experience an annual growth rate of 3-6% between 2026 and 2029. This continued growth is fuelled by robust investments and activity in renewable energy, transportation and digital infrastructure, particularly in data and semiconductor sectors. With continued global macroeconomic and geopolitical uncertainty, managing project schedules and budgets remains a key priority for contractors and developers in 2026. Risks are expected to remain elevated because of persistent skilled labour shortages, rising costs and supply chain disruptions linked to the new US tariffs. Nevertheless, the region's construction industry outlook for 2026 looks optimistic. Tariff-related developments continue to influence construction markets, but their impact has been more limited than initially anticipated. Commodity prices, except for metals, generally moderated in 2025.

VENEER

Veneer exports in January 2026 increased by 3% in volume to 3,603 m³ but decreased by 10% in value to RM5.9 million compared to the previous month. Meanwhile, on a year-on-year basis, exports for January 2026 showed an increase in both volume and value by 113% to 3,603 m³ and 49% to RM5.9 million compared to the corresponding period last year.

ASEAN recorded an increase in veneer imports at 109% from 151 m³ to 315 m³. Cambodia increased its purchase by 82% to 217 m³, while the Philippines resumed its buying with 97 m³. In East Asia, exports decreased by 20% from 1,780 m³ to 1,430 m³. Japan and Taiwan reduced their veneer imports by 21% to 282 m³ and 51% to 394 m³ respectively. Meanwhile, China increased its imports by 48% to 544 m³. In the South Asia region, veneer exports also decreased by 34% to 749 m³ from 1,127 m³ in the previous month. Bangladesh recorded an increase of 69% to 167 m³ while India reduced its purchases by 43% to 582 m³.

In the Oceania/Pacific region, imports increased by 39% to 251 m³ from 181 m³, with Australia recording imports of 135 m³. New imports by North America reached 858 m³, with the USA accounting for 757 m³ and Canada contributing the remaining 101 m³. There were no imports by the EU and Africa during the month.

The average FOB price for veneer decreased by 12% from RM1,871 per m³ to RM1,647 per m³ as compared to the previous month.

The US construction industry saw a significant resurgence in January 2026, adding 33,000 jobs and marking a sharp turnaround after the sector remained largely flat throughout most of 2025. This growth was heavily concentrated in the non-residential specialty trade contractor segment, which alone accounted for 25,000 new positions, suggesting a sustained demand for large-scale infrastructure and technically complex commercial projects. While the broader US economy added a total of 130,000 jobs during the month, the

construction sector stood out as a primary driver of this momentum, bringing its year-over-year employment gain to 44,000 jobs. Moving forward, the industry is expected to prioritise productivity and collaborative delivery methods to mitigate these labour constraints and maintain project schedules amidst ongoing economic uncertainty.

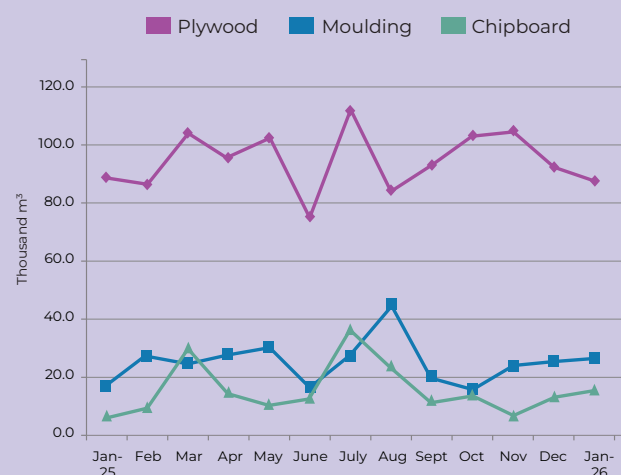
MEDIUM DENSITY FIBREBOARD (MDF)

MDF exports in January 2026 recorded an increase of 18% in volume at 29,021 m³ and 29% in value to RM59.5 million compared to the previous month. However, on a year-on-year basis, exports for January 2026 recorded a decline of 19% in volume to 29,021 m³ and 3% in value to RM59.5 million as compared to the corresponding period in 2025.

MDF exports to ASEAN decreased by 2% from 5,723 m³ to 5,630 m³ compared to the previous month. Indonesia and Viet Nam reduced their imports by 16% and 67% to 666 m³ and 680 m³ respectively. The Philippines recorded an increase of 161% to 4,112 m³.

Elsewhere, East Asia's MDF imports recorded an increase of 49% from 9,201 m³ to 13,674 m³ compared to the previous month. Imports of MDF from Taiwan and South Korea declined by 1% to 303 m³ and 9% to 292 m³ each. Meanwhile, Japan increased its purchases by 53% to 13,077 m³. Moving to the South Asia market, exports increased by 23% from 2,493 m³ to 3,055 m³ in January 2026. Export performance to India and Pakistan grew by 32% to 732 m³ and 45% to 2,056 m³ respectively. Sri Lanka reduced its purchases by 55% to 214 m³.

**Malaysia: Export of Major Timber Product
January 2025 – January 2026^a**



Exports to the West Asia region decreased by 26%, declining from 3,770 m³ to 2,800 m³ compared to the previous month. The UAE increased its purchases by 59% to 2,769 m³ from 1,746 m³, while Oman and Yemen did not record any imports during the month. No imports

of Malaysian MDF were recorded by the EU, Central America, or South America regions. However, in the Africa region, new exports to South Africa were recorded at 26 m³.

Exports to the Oceania/Pacific region recorded an increase of 9% to 1,819 m³ from 1,669 m³, with Australia as the sole importer, while New Zealand did not record any imports during the month. MDF imports in North America also showed an increase of 21% from 1,663 m³ to 2,018 m³ compared to the previous month. Purchases by the USA, Canada and Mexico grew by 3%, 108% and 23% to 1,180 m³, 488 m³ and 350 m³, respectively.

The average FOB price of MDF increased by 10% to RM2,050 per m³ from RM1,871 per m³ in the previous month.

The construction industry in Pakistan experienced a significant recovery in 2025, expanding by 5.1% in real terms as consumer and investor confidence rebounded. This growth was marked by a sharp 17.6% year-on-year value-add increase in the second quarter of 2025, prompting analysts to pivot from a previously pessimistic outlook to a more robust growth forecast. Looking ahead, the federal budget for FY2025–2026 has allocated PKR 1 trillion (USD3.5 billion) toward the Public Sector Development Programme (PSDP), signalling a commitment to infrastructure. Over the 2026 – 2029 period, the sector is projected to maintain an average growth rate of 4.6%, driven by sustained investments in transport, housing and renewable energy. This development is further bolstered by the National Electric Vehicle Policy 2025–2030, which integrates an ambitious electrification agenda into the nation's broader economic and industrial strategy.

MOULDINGS

In January 2026, moulding exports registered a modest recovery, with export volume increasing by 4% to 22,202 m³ from 21,288 m³, while export value rose by 9% to RM66.5 million compared to RM61.3 million in the previous month. On a year-on-year basis, export volume improved by 13%, rising from 19,729 m³ in January 2025 to 22,202 m³. In contrast, export value declined by 7% over the same period, decreasing from RM71.5 million in January 2025 to RM66.5 million.

Exports to ASEAN countries improved by 24% to 984 m³ in January 2026, increasing from 795 m³ in December 2025. Exports to Singapore grew by 38% to 921 m³, while exports to Viet Nam dropped by 57% to 54 m³ from the previous month.

In the East Asia region, exports of mouldings were recorded at 1,196 m³ in January 2026, a decrease of 5% from 1,264 m³ in the previous month. Exports to Japan and South Korea dropped by 1% to 671 m³ and 44% to 327 m³, respectively. Conversely, China increased its purchases significantly by 1,109% to 133 m³ from 11 m³ in December 2025.

Export volumes to the South Asian region trended upward in January 2026. This was highlighted by a 2,538% increase in intake to 237 m³ compared to the previous month, with exports to the Maldives rising by 2,111% to 199 m³ for the month. India resumed its imports with 39 m³. Similarly, exports to the UAE resumed with 2 m³ for the month.

Exports to the EU grew by 23% to 5,198 m³ in January 2026 compared to 4,216 m³ in December 2025. Exports to the Netherlands expanded by 14% to 2,352 m³ from 2,066 m³ in the previous month. Similarly, exports to Greece improved significantly by 163% to 686 m³ from 261 m³ in the previous month. France also increased its purchases by 60% to 893 m³. Meanwhile, exports to the UK grew by 26% to 347 m³ for the month.

In the Oceania/Pacific region, total moulding exports expanded by 24% in January 2026, increasing to 1,391 m³ from 1,126 m³ as recorded in December 2025. This increase was entirely driven by the Australian market, which accounted for nearly all of the region's volume, as shipments to the country rose by 19% to 1,337 m³. Meanwhile, total export to North America declined by 6% in January 2026, declining to 12,439 m³ from 13,258 m³ in December 2025. The USA, as the key market, recorded a decline of 8% to 11,769 m³, while Guadeloupe experienced a significant 99% improvement to 596 m³ compared to the previous month.

In the Africa region, total exports increased by 19% to 408 m³ compared to 343 m³ in December 2025. Exports to Mauritius increased by 66% to 176 m³, while imports by South Africa increased by 20% to 217 m³ for the month.

The average FOB unit value for mouldings in January 2026 increased by 4% to RM2,993 per m³ compared to RM2,878 per m³ in December 2025.

Linesight's Construction Market Insights (CMI) 2026 Outlook for APAC and the GCC reported that the IMF has raised APAC's 2025 growth forecast to 4.5%, up by 0.2 percentage points, driven by robust domestic demand and policy easing in several economies. All reported APAC countries, except for South Korea, increased their growth estimates. Early trade activity ahead of new tariffs helped offset some pressure from rising global barriers, though risks from higher US tariffs and slowing global demand persist. The construction industry across the Asia-Pacific (APAC) and Gulf Cooperation Council (GCC) regions is expected to maintain strong growth through 2026, supported by substantial public and private investment in renewable energy, transport, and digital infrastructure projects. Growth is projected to moderate to 4.1% in 2026. Across individual economies, the outlook remains cautiously optimistic, with most countries receiving upward revisions to their 2025 forecasts. Countries such as India, Malaysia, Singapore, the UAE, and Saudi Arabia are projected to lead regional expansion, with robust activity in sectors including data centres, semiconductors, housing, and major infrastructure initiatives. Renewable energy deployment, life sciences, and high-tech industrial development are emerging as key growth drivers, while government policy and budget allocations remain

critical enablers of sustained construction demand. In the GCC, both KSA and the UAE continue to post strong growth driven by higher oil production and continued expansion in the non-oil sector.

Strategic investment in technology and infrastructure, combined with an AI-driven investment boom, is creating opportunities across advanced manufacturing and data-led industries, alleviating some of the risks posed by trade uncertainty. This rapid growth, however, could see an abrupt correction in AI investment and remains a key downside risk to the global outlook. Despite these positive fundamentals, the industry faces ongoing challenges that could influence delivery and cost outcomes. Persistent labour shortages, elevated input costs, and supply chain disruptions, exacerbated by tariff volatility and global trade tensions continue to exert upward pressure on construction inflation and project timelines. Commodity price movements, particularly in metals such as copper and aluminium, remain volatile, although steel price declines provide some short-term relief. Supply chain conditions show signs of stabilising, but procurement certainty and lead times will remain key risks into 2026 as markets balance strong demand with cost and resource constraints.

BUILDERS JOINERY AND CARPENTRY (BJC)

In January 2026, BJC exports experienced a modest recovery, with export volume rising by 7% to 13.9 million kg and export value increasing by 5% to RM121.7 million compared to the previous month. Year-on-year, export volume grew by 9%, up from 12.7 million kg in January 2025 to 13.9 million kg. Conversely, export value declined by 4% during the same period, falling from RM126.9 million in January 2025 to RM121.7 million.

Shipments of BJC to ASEAN for the month of January 2026 declined to RM6.4 million, representing a 20% drop from RM8.0 million recorded in 2025. Singapore, the main buyer in the region, increased its purchases by 7% to RM4.4 million compared with the previous year. Exports to the Philippines also grew marginally by 0.2%, totalling at RM0.8 million, while shipments to Thailand edged down by 53% to RM0.6 million.

Total export to the East Asia region declined by 26%, decreasing from RM6.1 million to RM4.5 million. Japan, the largest buyer within this corridor, reduced its purchases by 28%, totalling at RM3.2 million. In contrast, the Taiwanese market demonstrated growth, increasing by 32% to RM0.5 million, while the Chinese market also improved, rising by 19% to a record RM0.6 million.

Exports to South Asia experienced an improvement in market demand, with total export growing by 53% to RM2.5 million. The growth was driven by significant importation by Bangladesh, which increased by 558% to RM0.3 million, whilst exports to India grew by 46% to RM2.0 million. Meanwhile, exports to the Maldives decreased by

64% to RM76.9 thousand for the month of January 2026. As for the West Asia region, total export of BJC declined sharply by 90%, totalling at RM0.7 million as compared to RM6.9 million in the corresponding period last year. Bahrain and Kuwait resumed their purchases with RM0.6 million and RM0.1 million respectively.

Total export of BJC to the EU region rose by 17%, increasing from RM27.9 million to RM32.7 million. This expansion was anchored by heightened demand from key western European economies. Shipments to Belgium increased notably by 11% to RM14.5 million, establishing it as a primary destination, followed by the Netherlands, where exports improved by 99% to RM12.1 million. Nevertheless, imports by Denmark declined by 17% to RM1.4 million for the stated period. Meanwhile, exports to other parts of Europe declined by 22% to RM10.0 million. This downturn was largely influenced by reduced intake by the United Kingdom, which saw a 20% decrease to RM9.5 million. Trade with Norway experienced a steep decline of 70%, falling to RM0.3 million. However, this sub-region was not entirely devoid of growth, as exports to Türkiye resumed with RM0.3 million.

The Oceania/Pacific region recorded a moderate contraction, with overall shipments decreasing by 5% to RM18.2 million. Australia, the anchor market for this region, improved its purchases by 2% to RM16.9 million. Neighbouring New Zealand reduced its intake by 52% to RM1.2 million. Meanwhile, Papua New Guinea resumed its intake with RM85.3 thousand for the month.

North America emerged as the most significant growth frontier for BJC exports for January 2026. Total shipment to the region surged by 6%, reaching a total value of RM46.0 million. This upward momentum was heavily driven by the United States, which remains the principal buyer in the region. The USA's intake mirrored the regional average, expanding by 3% to reach RM44.4 million. Similarly, exports to Canada demonstrated significant growth, increasing by 166% to RM1.6 million. Shipments to Africa on the other hand, decreased by 18% to RM0.7 million in January 2026. However, there was an increase in exports of BJC to South Africa of 32% from RM0.2 million to RM0.3 million. Similarly, Morocco improved its purchases by 6% to RM0.3 million, while Kenya resumed its intake with RM0.1 million.

According to ResearchandMarkets.com, the global builders' joinery and carpentry (BJC) timber market has demonstrated strong growth in recent years. The market is projected to expand from USD 76.07 billion in 2025 to USD 80.16 billion in 2026, representing a compound annual growth rate (CAGR) of 5.4%. This historical growth has been driven by several factors, including the increasing reliance on timber-based construction, steady expansion of residential and commercial building activity, early adoption of prefabricated wood modules, rising trends in interior renovations, and growing demand for decorative wood products.

Looking ahead, the BJC timber market is expected to continue its robust growth trajectory, reaching USD 98.32 billion by 2030 at a CAGR of 5.2%. Key drivers for the forecast period include greater use of sustainable

wood materials, wider adoption of precision-engineered joinery, growth in modular building systems, increasing demand for premium interior wood finishes, and advancements in automated woodworking technologies. Emerging trends include rising demand for precision-cut wood components, growth in customised joinery solutions, increased utilisation of prefabricated wood structures, expansion of high-end interior wood designs, and broader application of engineered wood materials.

“The anticipated market growth is strongly supported by increasing construction activity, which is influenced by factors such as climate change, the need for reduced material usage, water supply considerations, and rising population levels. Builders’ joinery and carpentry play a crucial role in construction, providing both structural and decorative wooden elements that ensure functionality and aesthetic appeal in buildings.”

However, the market outlook is currently being shaped by rapid changes in global trade relations and tariffs. Import tariffs on timber, wood panels, adhesives, and metal fittings are increasing costs, particularly impacting residential and commercial construction sectors reliant on foreign hardwoods and engineered wood products. Simultaneously, these trade measures are stimulating domestic timber production, promoting sustainable forestry practices, and supporting local manufacturing of joinery components.

FURNITURE

Wooden Furniture

In January 2026, wooden furniture exports recorded a slight recovery, with export value increasing by 5% to RM791.7 million compared to RM751.2 million in the previous month. However, on a year-on-year basis, exports declined by 10% from RM878.1 million in January 2025. This contraction suggests a weaker start to the year, reflecting continued moderation in Malaysia’s wooden furniture export performance amid evolving global market conditions and softer demand in key markets.

Exports of wooden furniture to ASEAN increased by 7% to RM112.7 million in January 2026, compared to RM105.0 million in January 2025. Singapore remained the largest market in the region, with exports rising by 13% to RM81.8 million. Exports to Indonesia also recorded a notable increase of 23% to RM5.9 million. However, shipments to the Philippines declined by 20% to RM14.8 million, indicating mixed demand across ASEAN markets.

Exports to East Asia declined by 10% to RM45.0 million from RM49.8 million in the corresponding period of 2025. Japan continued to be the principal destination, although exports fell significantly by 20% to RM33.7 million. In contrast, exports to Taiwan surged by 74% to RM6.8 million, while shipments to the Republic of Korea remained relatively stable, registering a marginal decline of 0.2% to RM2.2 million.

In South Asia, exports expanded sharply by 126% to RM25.9 million compared to RM11.5 million in January 2025. India remained the dominant market, with exports rising substantially by 130% to RM25.2 million. Meanwhile, exports to the Maldives declined slightly by 6% to RM0.3 million, and shipments to Sri Lanka recorded new exports amounting to RM0.3 million.

Exports to Central Asia increased to RM1.0 million from negligible levels in January 2025, driven entirely by shipments to Kazakhstan, which accounted for the full value of exports in the region during the period.

Exports of wooden furniture to West Asia declined by 26% to RM40.3 million in January 2026, compared to RM54.3 million recorded in January 2025. The United Arab Emirates remained the largest market, although exports fell by 28% to RM14.8 million. Similarly, shipments to Saudi Arabia decreased significantly by 50% to RM12.3 million. In contrast, exports to Iraq recorded a substantial increase of 275% to RM4.8 million, partially offsetting the overall decline in the region.

Exports of wooden furniture to the European Union increased by 21% to RM34.9 million in January 2026, compared to RM28.9 million in January 2025. Within the EU, Spain recorded a sharp increase of 97% to RM4.4 million, while Germany’s imports surged significantly by 303% to RM10.6 million. In contrast, exports to Belgium remained relatively stable, increasing marginally by 0.3% to RM4.9 million, reflecting mixed but generally positive performance across key EU markets.

Exports to other parts of Europe declined by 9% to RM44.8 million from RM49.3 million in January 2025. The United Kingdom remained the dominant destination in this sub-region, although exports fell by 15% to RM40.3 million. In contrast, shipments to Switzerland recorded a strong increase of 1,087% to RM2.7 million, while exports to Georgia rose by 46% to RM1.2 million, partially offsetting the decline in the United Kingdom.

In the Oceania/Pacific region, exports of wooden furniture declined by 4% to RM42.1 million compared to RM43.6 million in January 2025. Australia remained the largest market, although exports decreased by 13% to RM34.6 million. In contrast, exports to New Zealand increased significantly by 112% to RM5.4 million while shipments to Fiji surged by 1,143% to RM0.8 million, reflecting stronger demand from smaller markets in the region.

Exports to Central America contracted by 11% to RM2.5 million from RM2.8 million in the previous year. Costa Rica was the largest market in the region, recording a substantial increase of 485% to RM1.0 million. However, exports to El Salvador declined sharply by 45% to RM0.5 million, while shipments to Guatemala fell by 52% to RM0.4 million, indicating mixed performance across the region.

In North America, exports of wooden furniture declined by 18% to RM421.8 million compared to RM513.3 million in January 2025. The United States remained the largest destination, although exports fell significantly by 20%

to RM374.8 million. In contrast, Canada recorded an increase of 14% to RM35.6 million, while exports to Puerto Rico declined by 3% to RM5.6 million, reflecting uneven demand across the region.

Exports to South America increased by 23% to RM9.9 million from RM8.1 million in January 2025. Venezuela recorded a strong increase of 139% to RM2.2 million while exports to Peru rose by 54% to RM1.3 million. However, shipments to Chile declined by 11% to RM4.2 million, indicating mixed regional performance.

In Africa, exports of wooden furniture declined by 7% to RM10.7 million compared to RM11.5 million in the corresponding period in 2025. South Africa remained the largest market in the region, with exports increasing by 4% to RM4.1 million. In contrast, shipments to Reunion Islands rose sharply by 51% to RM1.2 million, while exports to Kenya surged by 352% to RM1.0 million, partially offsetting declines in other African markets.

Rattan Furniture

In January 2026, rattan furniture exports recorded a slight recovery, with export value increasing by 17% to RM78.9 thousand compared to RM67.8 thousand in the previous month. However, on a year-on-year basis, exports remained relatively stable, registering a marginal decline of 0.1% from RM79.0 thousand in January 2025. This indicates a broadly stable performance at the beginning of the year, reflecting relatively steady demand conditions despite minor fluctuations in key markets.

Exports of rattan furniture to ASEAN declined by 24% to RM43.1 thousand in January 2026, compared to RM56.4 thousand in January 2025. Within the region, Singapore recorded a marginal increase of 2% to RM20.2 thousand, while the Philippines registered a notable rise of 32% to RM18.1 thousand. In contrast, exports to Thailand fell sharply by 78% to RM4.7 thousand, reflecting significantly weaker demand from that market.

Exports to East Asia increased to RM8.9 thousand in January 2026 from no recorded exports in January 2025. This growth was entirely driven by Taiwan, which accounted for the full export value during the period, indicating the emergence of new market activity in the region.

In South Asia, exports of rattan furniture fell sharply by 100% to nil in January 2026, compared with RM7.8 thousand as recorded in January 2025, reflecting a complete cessation of shipments to India during the period.

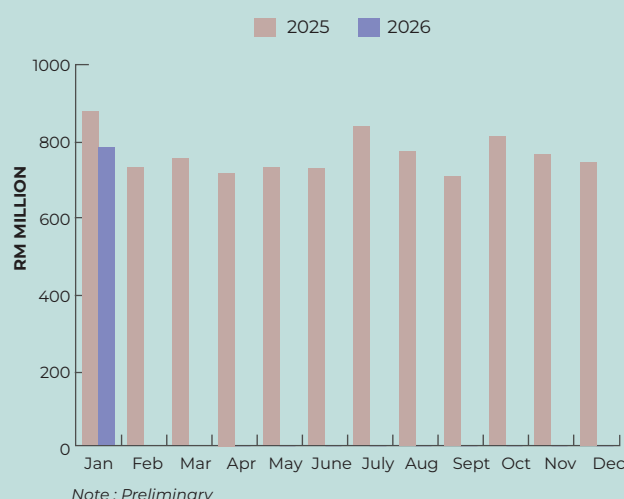
Exports to other parts of Europe increased significantly by 1,060% to RM10.0 thousand from RM0.9 thousand in January 2025. Switzerland was the sole buyer in this sub-region, recording the full export value and indicating a strong rebound in demand from a low base.

Exports of rattan furniture to the Oceania/Pacific region increased by 22% to RM17.0 thousand in January 2026, compared to RM14.0 thousand in January 2025. Australia

remained the principal market in the region, although exports declined by 7% to RM12.9 thousand. In contrast, exports to New Zealand recorded new shipments amounting to RM4.1 thousand, indicating emerging demand from this market. Papua New Guinea recorded no imports during both periods.

Exports to Central America, North America, South America, and Africa remained unchanged at zero in January 2026, reflecting the absence of trade activity for rattan furniture in these regions during the period under review.

Malaysia: Export of Wooden Furniture



“According to Research and Markets, the global furniture industry is expected to maintain moderate but stable growth in 2026, supported by structural demand drivers such as urbanisation, housing development, and continued investment in residential and commercial interiors. The global furniture market is estimated at around USD 790 billion in 2025–2026, with steady medium-term expansion projected. However, overall performance is expected to remain uneven across regions due to persistent cost pressures, higher interest rates, and cautious consumer spending, particularly in developed economies such as the United States and Europe.”

According to industry analysis reported by Furnishing Idea (based on CSIL World Furniture Outlook findings), demand conditions in 2026 remain cautious and cost-sensitive, especially in the United States where furniture consumption continues to be influenced by tariffs, trade policy uncertainty, and affordability pressures. Although temporary tariff adjustments have provided some short-term relief to importers, structural uncertainty in trade flows persists. In Europe, market recovery remains slow, with subdued mass-market demand offset partly by more resilient performance in premium and sustainable furniture segments. Overall, the global furniture outlook is characterised by stable but uneven recovery, with gradual growth rather than strong expansion expected across major markets.



Overview

The European Union (EU) is a unique supranational political and economic partnership comprising 27 European countries that together cover much of the continent. Established in the aftermath of the Second World War to promote peace through economic cooperation, the EU began in 1951 with six founding members—Belgium, Germany, France, Italy, Luxembourg and the Netherlands—through the creation of the European Coal and Steel Community. This was followed in 1957 by the European Economic Community and the European Atomic Energy Community. Over time, 22 additional countries joined, including a historic enlargement in 2004 that symbolised the reunification of Europe after decades of division.

In 2013, Croatia joined the EU as the 28th member state. However, the Union returned to 27 members following the withdrawal of the United Kingdom on 31 January 2020 through the process known as Brexit. Since 1 February 2020, the EU has officially consisted of 27 Member States. The Union later evolved into a sophisticated legal and institutional entity under the Maastricht Treaty (1993) and the Treaty of Lisbon (2009). Although the United Kingdom withdrew from the EU on 1 February 2020, the integration project continues, with ten countries currently negotiating accession.

With a total area of 4,233,255 km² and a population exceeding 450 million as of 2025, the EU blends characteristics of both a federation and a confederation; economically, it is a global powerhouse. The EU economy—representing the combined output of its Member States—is the second-largest in the world by nominal GDP and the third-largest by purchasing power parity (PPP).

In 2026, GDP is estimated at USD 22.52 trillion (nominal) and USD 30.18 trillion (PPP), accounting for roughly one-sixth of the global economy. Germany, France, Italy and Spain are the largest contributors, together representing 60.5% of total nominal GDP (Germany 23.7%, France 15.8%, Italy 12.0%, Spain 9.1%). In 2024, social welfare expenditure across the EU amounted to 27.3% of GDP.

Twenty-one Member States share the euro as a common currency, while the Schengen Area has removed internal border controls for most participating countries, facilitating the free movement of people. The EU also maintains a common trade policy and holds significant diplomatic influence globally, including representation in the United Nations, Group of Seven and Group (G-7) of Twenty (G-20).

Although economic growth remains modest—with GDP forecast to expand by 1.4% in 2026, the EU economy shows resilience. Inflation has stabilised near 2.1% and investment activity is strengthening, supported by a fiscal rebound in Germany and the final deployment phase of the Recovery and Resilience Facility (RRF). Nevertheless, structural headwinds such as an ageing workforce and stagnant productivity continue to pose challenges, prompting strong policy emphasis on artificial intelligence adoption and the “Twin Transition” toward digitalisation and green transformation.

EU Forestry and Timber Productions

According to Eurostat data released in early 2026, the EU forest area remained stable in 2023, with a minor 0.1% increase compared to 2022, covering roughly 39% of the EU's total land area. While forest areas saw small net changes, the total standing timber volume in the EU grew by 0.34%, with 23 EU countries reporting that forest growth outpaced harvesting.

The largest increases in standing timber volume were observed in Ireland (+3.6%) and Denmark (+3.2%), followed by Cyprus (+1.6%). Although Portugal recorded a very high net increment in timber volume (+11.1%), this was largely offset by substantial removals and natural losses. In a few countries, such as Finland, Latvia, Estonia, Czechia, Lithuania and Italy, the forest area increased in 2023 while timber volume declined. The reason for this in Latvia is that although forest area expanded through afforestation, removals and losses exceeded the annual increment of timber volume.

Besides forest area and standing timber stock as two key variables, a third key factor describing the state of the forestry sector and forest management is removals, which reflect the intensity of harvesting. Roundwood production in the EU has been steadily increasing since 2010 except for a brief halt in 2020, reaching a volume of 460 million m³ in 2023. Non-coniferous roundwood removals were more stable showing only a very slight increase for the past decade, while coniferous roundwood production rose more clearly.



Logs of harvested timber in a forest in the Czech Republic
(Sources: alamy.com)

The most important roundwood producers in 2023 were Germany (72.61 million m³), Sweden (71.8 million m³), Finland (63.51 million m³), France (47.80 million m³) and Poland (42.79 million m³). These 5 countries together produced more than 64% of the EU's total roundwood production. Roundwood removals are broken down into 4 main categories: fuelwood and three different types of industrial roundwood.

The two most important wood products in Europe are fuelwood and sawlogs. Most countries show a relatively even distribution among these categories. Romania, Germany and Croatia focus more on fuelwood and sawlogs while pulpwood production is important in Spain, Portugal and Slovakia.

European Union: TIMBER PRODUCTIONS (2020-2024)

Volume: M³ '000'

Product	2020	2021	2022	2023	2024
Sawnwood, coniferous	99,487	102,790	100,678	92,542	93,581
Sawnwood, non-coniferous	9,042	9,703	9,764	8,631	7,915
Veneer sheets	1,210	1,360	1,326	1,278	1,298
Particle board	28,526	33,308	30,057	28,655	29,516

Source: FAO

Recent data from the Food and Agriculture Organization show that EU timber production in 2024 remained relatively stable compared to 2023, with mixed trends across product categories. Coniferous sawnwood increased slightly to 93.58 million m³ from 92.54 million m³, while non-coniferous sawnwood declined further to 7.92 million m³. Veneer sheet output rose marginally to 1.30 million m³, and particleboard production increased to 29.52 million m³, reflecting the continued importance of engineered wood products in the region.

EU's Exports of Timber and Timber Products

European Union: EXPORT OF TIMBER & TIMBER PRODUCTS, 2021-2025

Value: USD'000

Products	2021	2022	2023	2024	2025
Wooden Furniture	74,696,366	72,982,910	73,461,985	71,115,668	75,321,514
Sawntimber	23,752,072	21,728,184	15,557,247	15,764,702	18,018,021
BJC	10,872,134	10,816,917	9,150,903	8,995,036	9,871,782
Particle Board/Chipboard	6,507,860	6,272,535	5,545,423	5,345,563	5,854,128
Fibreboard	6,636,616	6,432,618	5,472,124	5,166,532	5,400,697
Logs	6,412,091	6,381,563	4,890,225	4,623,814	4,612,414
Plywood	4,338,675	4,768,987	4,297,982	4,140,706	4,405,027
Moulding	2,405,974	2,354,101	1,824,055	1,785,674	1,995,427
Veneer	1,383,787	1,543,372	1,478,219	1,384,278	1,644,720
Wooden Frame	320,642	304,595	331,577	392,750	376,517
Others Products	13,464,172	15,853,563	13,821,197	13,012,655	13,765,000
TOTAL	150,790,389	149,439,345	135,830,937	131,727,378	141,265,247

Source: ITC Stats

The EU exports of timber and timber products showed a fluctuating trend over the period 2021–2025. Export value declined from USD150.79 billion in 2021 to USD149.44 billion in 2022, before reducing significantly to USD135.83 billion in 2023 and further decreasing to USD131.73 billion in 2024, representing a decrease of 13% from 2021. However, exports recovered to USD141.27 billion in 2025, indicating a rebound of 7% compared to 2024.

In 2025, most major product categories recorded a recovery in line with the overall rebound. Wooden furniture remained dominant at USD75.32 billion, followed by sawntimber (USD18.02 billion) and builders' joinery and carpentry (USD9.87 billion). Other products such as particleboard, fibreboard, plywood, veneer, and moulding also increased, while logs remained relatively subdued and wooden frames recorded a slight decline. Overall, wooden furniture and sawntimber continued to anchor the EU's export performance, reflecting sustained global demand for value-added and semi-processed wood products.

European Union: EXPORTS OF TIMBER AND TIMBER PRODUCTS (HS 44) (2021–2025)

Value: USD'000

Rank	Importers	2021	2022	2023	2024	2025
	World	76,566,445	77,145,886	63,099,608	61,246,676	66,923,724
1	Germany	10,107,581	10,285,665	8,153,765	7,668,252	8,449,206
2	United Kingdom	6,871,410	5,710,626	4,894,270	4,885,246	5,367,104
3	France	5,663,484	5,747,188	5,130,175	4,651,807	4,990,113
4	Italy	5,080,163	5,790,762	4,660,630	4,268,874	4,796,909
5	Netherlands	4,280,473	4,042,378	3,373,809	3,324,657	3,743,710
6	Austria	3,557,580	3,605,023	3,003,382	2,798,069	3,042,907
7	United States of America	3,546,474	4,031,129	2,806,117	2,693,902	2,862,758
8	Belgium	2,875,976	2,988,754	2,479,411	2,389,433	2,709,584
9	Switzerland	2,276,958	2,243,857	2,060,870	2,068,513	2,361,643
10	Poland	2,100,142	2,344,408	1,960,169	1,922,843	2,183,784
65	Malaysia	72,849	66,522	44,199	42,027	38,391
	Others	30,133,355	30,289,574	24,532,811	24,533,053	26,377,615

Source: ITC Stats

*Malaysia ranked 65th from 157 countries

The EU timber exports (HS 44) are primarily concentrated in established regional and international markets. In 2025, total exports amounted to USD66.92 billion, with Germany remaining the largest export destination at USD8.45 billion, followed by the United Kingdom (USD5.37 billion), France (USD4.99 billion), and Italy (USD4.80 billion). Other key destinations included the Netherlands and Austria, as well as Belgium, Switzerland and Poland. Overall, the EU's timber export structure shows a strong concentration within European Union markets, with additional demand from the United States and Switzerland. Exports to Malaysia remained minimal, amounting to USD38.39 million in 2025, ranked 65th out of 157 countries.

EU's Imports of Timber and Timber Products

European Union: IMPORT OF TIMBER AND TIMBER PRODUCTS (HS44) (2021–2025)

Value: USD'000

Product	2021	2022	2023	2024	2025
Sawntimber	14,255,691	12,910,189	9,360,719	8,962,639	10,976,320
Builders' joinery and carpentry	7,537,095	7,569,211	6,491,836	6,355,623	7,092,185
Particle board and Chipboard	5,257,676	5,028,982	4,426,972	4,180,241	4,769,759
Logs	4,990,136	5,294,217	4,606,294	4,367,311	4,719,122
Plywood	4,641,124	5,158,843	4,051,184	4,074,897	4,311,360
Fibreboard	4,679,731	4,847,601	4,175,919	3,835,685	4,262,963
Veneer	1,759,030	1,900,737	1,607,313	1,598,113	1,901,045
Moulding	2,132,264	2,026,989	1,472,151	1,462,407	1,549,796
Wooden frames	353,505	344,785	359,157	431,829	446,825
Others Products	14,130,857	17,414,006	14,678,181	13,488,788	14,752,473
TOTAL	59,737,109	62,495,560	51,229,726	48,757,533	54,781,848

Source: ITC Stats

Over the period 2021–2025, EU imports of timber and timber products (HS44) showed an overall declining trend from 2022 to 2024, before recovering in 2025. Imports peaked at USD62.50 billion in 2022, before declining sharply by 22% to USD48.76 billion in 2024, reflecting weaker demand and global market adjustments. In 2025, total imports rebounded by 12% to USD54.78 billion. In 2025, the main imported timber products were sawntimber (USD10.98 billion), builders' joinery and carpentry (USD7.09 billion), particleboard and chipboard (USD4.77 billion), and logs (USD4.72 billion). Other notable products included plywood (USD4.31 billion) and fibreboard (USD4.26 billion).

European Union: IMPORTS OF FURNITURE & PARTS HS9403 (2021–2025)

Value: USD'000

Rank	Exporters	2021	2022	2023	2024	2025
	World	35,117,684	35,697,619	32,065,698	32,639,986	35,711,363
1	China	6,924,855	6,897,219	5,395,143	6,772,422	7,547,844
2	Poland	4,854,131	4,730,060	4,667,569	4,608,994	5,128,830
3	Germany	5,468,459	5,184,944	5,093,119	4,751,225	5,044,843
4	Italy	3,079,140	2,987,395	2,886,484	2,745,287	2,919,221
5	Lithuania	1,142,847	1,294,897	1,224,512	1,225,563	1,379,725
6	Spain	1,018,671	1,034,008	1,147,919	1,049,690	1,081,657
7	Türkiye	769,217	932,051	927,843	913,314	951,629
8	Sweden	818,276	803,160	765,153	730,903	837,030
9	France	813,444	751,613	741,164	756,419	819,219
10	Netherlands	820,730	757,408	731,942	708,151	737,333
36	Malaysia	110,323	118,076	84,656	93,874	86,652
	Others	9,297,591	9,206,788	8,400,194	8,284,144	9,177,380

Source: ITC Stats

*Malaysia ranked 36th from 183 countries

The EU remains one of the world's largest buyers of furniture and parts (HS9403). Total imports amounted to USD35.12 billion in 2021 and the amount increased slightly to USD35.70 billion in 2022, before declining to USD32.64 billion in 2024 due to weaker consumer demand, high inflationary pressures, and inventory adjustments. Imports subsequently recovered to USD35.71 billion in 2025, supported by improving economic conditions and a gradual rebound in demand. China remained the largest supplier with imports valued at USD7.55 billion in 2025, followed by Poland (USD5.13 billion), Germany (USD5.04 billion), Italy (USD2.92 billion), and Lithuania (USD1.38 billion). Malaysia ranked 36th out of 183 exporting countries, with imports valued at USD86.65 million in 2025, indicating a notable presence in the EU market.

European Union: IMPORT OF FURNITURE AND SEATS HS9401 (2021–2025)

Value: USD'000

Rank	Exporters	2021	2022	2023	2024	2025
	World	34,558,328	33,496,838	32,059,945	32,384,832	35,087,207
1	China	8,667,915	7,910,649	5,501,161	6,707,121	7,435,728
2	Poland	5,228,125	5,125,144	5,498,423	5,357,145	5,839,255
3	Czech Republic	2,404,811	2,411,163	2,889,590	2,699,300	2,998,633
4	Germany	3,272,373	3,080,354	3,086,100	2,899,406	2,914,678
5	Italy	1,751,844	1,748,388	1,729,918	1,637,199	1,687,384
6	Romania	1,579,479	1,558,113	1,647,184	1,609,480	1,655,987
7	Türkiye	710,547	801,745	939,054	956,259	1,067,068
8	Hungary	774,403	804,153	912,678	761,528	810,059
9	Portugal	691,833	679,618	842,211	795,526	779,160
10	France	700,023	686,956	759,546	686,600	775,930
42	Malaysia	68,394	77,810	47,508	54,143	50,061
	Others	8,708,581	8,612,745	8,206,572	8,221,125	9,073,264

Source: ITC Stats

*Malaysia ranked 42nd from 228 countries

Meanwhile, EU imports of furniture and seats (HS9401) showed a fluctuating trend over the period 2021–2025. Total imports declined from USD34.56 billion in 2021 to USD32.38 billion in 2024, before recovering to USD35.09 billion in 2025. China remained the largest supplier at USD7.44 billion in 2025, followed by Poland (USD5.84 billion), Czech Republic (USD3.00 billion), Germany (USD2.91 billion), and Italy (USD1.69 billion). Malaysia ranked 42nd out of 228 exporting countries, with EU imports valued at USD50.06 million in 2025, indicating a relatively small share in the EU market.

Malaysia's Timber Exports to EU

Malaysia: EXPORT OF TIMBER AND TIMBER PRODUCT TO EU BY PRODUCT (2021 – 2025)

Value: RM

Product	2021	2022	2023	2024	2025
Wooden Furniture	373,034,581	380,486,726	351,311,097	392,914,073	316,012,980
Mouldings	333,554,969	422,235,024	315,924,938	263,378,234	225,116,781
Sawntimber	246,859,510	238,517,345	227,435,371	199,580,396	151,732,799
Builders Joinery & Carpentry	172,907,930	258,354,607	285,760,840	250,727,661	281,463,093
Other Products	18,754,879	145,626,671	258,853,640	169,238,880	115,778,197
Plywood	18,051,617	7,722,806	13,595,207	15,297,292	98,667,133
Veneer	2,540,986	1,106,246	0	0	295,708
Chipboard/Particleboard	1,198,688	0	1,028,310	0	2,132,118
Fibreboard	111,373	356,984	243,003	107,444	26,989
Logs	0	0	1,500	0	0
Total	1,167,014,533	1,454,406,409	1,454,153,906	1,291,243,980	1,191,225,798

Source: MTIB/DOSM

The EU has continued to be an important destination for Malaysia's timber and timber products, with total exports increased by 24% from RM1.17 billion in 2021 to RM1.45 billion in 2022, increased to RM1.45 billion in 2023, before moderating to RM1.29 billion in 2024. Export further declined by 8% to RM1.19 billion in 2025. Wooden furniture and mouldings consistently led exports, although both recorded declining trends, by 20% reaching RM316.01 million and by 15% to RM225.12 million in 2025 respectively.

Builders' joinery and carpentry (BJC) recorded an increase of 12% at RM281.46 million in 2025, while sawntimber continued to decline by 24% to RM151.73 million from 2024. Plywood recorded a significant increase by 545% to RM98.67 million in 2025, indicating a notable shift in product demand. Meanwhile, veneer, chipboard/particleboard, fibreboard, and logs contributed minimally to total exports. Overall, Malaysia's timber exports to the EU remained concentrated in higher-value products such as wooden furniture, mouldings, BJC, and sawntimber, despite the overall moderation in export performance.

Malaysia's Exports of Timber and Timber Products to the EU Member States

Malaysia: EXPORT OF TIMBER AND TIMBER PRODUCT TO THE EU MEMBER STATES (2021–2025)

Value: RM

Rank	Destination	2021	2022	2023	2024	2025
1	Netherlands	470,050,405	578,945,382	586,999,415	521,823,294	395,530,669
2	Belgium	157,356,905	163,621,885	207,016,487	183,509,907	190,482,056
3	Germany	126,613,674	178,781,465	93,969,645	98,632,495	104,176,054
4	France	106,333,085	147,897,704	160,957,778	108,812,118	103,906,489
5	Italy	19,738,837	30,450,397	47,538,826	34,920,438	74,921,881
6	Spain	25,791,931	34,197,758	41,581,601	54,114,220	69,799,864
7	Poland	51,441,919	64,785,961	51,128,941	58,566,947	49,156,401
8	Greece	33,411,032	35,490,722	52,962,875	56,517,802	48,550,171
9	Denmark	48,494,417	83,997,418	51,867,051	40,307,743	28,774,020
10	Ireland	30,611,708	24,629,501	27,859,115	36,114,351	23,281,922
11	Sweden	45,028,829	68,504,134	66,463,987	26,620,845	17,917,333
12	Romania	13,623,908	10,540,716	16,706,124	24,217,718	17,161,340
13	Slovenia	1,698,350	1,285,700	416,441	1,465,728	16,260,143

Rank	Destination	2021	2022	2023	2024	2025
14	Croatia	1,987,271	2,293,354	1,259,477	1,752,373	9,800,272
15	Portugal	4,428,127	3,843,098	7,152,059	8,165,363	7,847,885
16	Cyprus	5,364,298	4,772,119	9,952,587	9,843,252	7,420,538
17	Latvia	1,526,871	1,901,081	5,486,091	6,603,587	5,302,962
18	Estonia	5,591,022	2,701,987	3,850,280	3,021,832	4,202,330
19	Czech Republic	5,619,538	3,563,076	3,182,260	2,266,149	3,904,202
20	Hungary	429,738	867,203	2,127,553	2,028,460	2,891,746
21	Austria	473,764	1,500,036	537,712	1,772,341	2,873,462
22	Lithuania	580,223	179,987	1,994,763	2,472,400	2,270,908
23	Finland	4,897,578	4,294,217	5,669,856	2,269,846	1,833,397
24	Bulgaria	3,656,247	4,353,604	6,518,621	3,592,236	1,438,286
25	Malta	909,641	494,592	540,658	1,019,118	990,326
26	Slovakia	1,265,587	513,312	413,703	813,417	531,141
27	Luxembourg	89,628	0	0	0	0
Total		1,167,014,533	1,454,406,409	1,454,153,906	1,291,243,980	1,191,225,798

Source: MTIB/DOSM

Malaysia's timber and timber products continued to maintain a strong presence in the EU market, with total exports increasing from RM1.17 billion in 2021 to RM1.45 billion in 2022 and 2023, before moderating to RM1.29 billion in 2024 and RM1.19 billion in 2025. The Netherlands remained the largest destination, with exports peaking at RM587.00 million in 2023 before declining to RM521.82 million in 2024 and RM395.53 million in 2025. Belgium recorded relatively stable exports ranging between RM157.36 million and RM207.02 million throughout the period. Meanwhile, Germany and France experienced fluctuating export trends, with Germany recording RM104.18 million and France RM103.91 million in 2025. Italy showed notable growth over the period, with exports increasing from RM19.74 million in 2021 to RM74.92 million in 2025.

Malaysia's Import of Timber and Timber Products from EU

Malaysia: IMPORTS OF TIMBER AND TIMBER PRODUCT FROM EU (2021–2025)

Value: RM

Product	2021	2022	2023	2024	2025
Wooden Furniture	116,732,263	177,350,347	174,749,916	130,566,883	154,862,374
Sawntimber	191,935,020	207,864,403	101,435,183	99,675,652	111,114,311
Veneer	42,717,528	70,034,844	62,615,102	48,479,592	52,837,569
Chipboard/Particleboard	6,959,630	10,597,024	12,353,566	17,578,257	9,070,027
Fibreboard	19,833,890	30,333,126	20,034,464	20,115,660	7,653,080
Builders Joinery & Carpentry	5,569,124	9,236,865	6,088,907	2,001,969	1,272,862
Logs	1,305,039	558,269	852,579	619,290	784,081
Plywood	1,319,316	1,033,388	1,459,022	1,699,609	749,987
Mouldings	4,149,330	1,228,917	536,730	219,124	25,265
Other Products	67,032,748	59,861,977	65,587,230	81,912,885	72,591,685
Total	457,553,888	568,099,160	445,712,699	402,868,921	410,961,241

Source: MTIB/DOSM

During 2021–2025, Malaysia's imports of timber and timber products from EU showed a fluctuating trend. Imports increased by 24% from RM457.55 million in 2021 to a peak of RM568.10 million in 2022, before declining by 29% to RM402.87 million in 2024 and recovering slightly by 2% to RM410.96 million in 2025. Wooden furniture and sawntimber, the largest import categories, increased strongly in 2022 before declining in subsequent years; wooden furniture recorded a rise to RM154.56 million, while sawntimber reached RM111.11 million in 2025.

Veneer also recorded relatively high import value, although it declined after 2022 before improving slightly by 9% to RM52.8 million in 2025. Chipboard/particleboard showed an increasing trend up to 2024 before being recorded at RM9.07 million in 2025, while fibreboard, and builders' joinery and carpentry (BJC) were recorded at RM7.65 million and RM25 thousand. Mouldings, plywood, and logs import value remained relatively small, indicating limited demand compared to other higher-value-added products.

EU Import Tariff

European Union: IMPORT TARIFF

HS CODE	PRODUCT	MFN (%)	
		EU	MALAYSIA
4401	Fuel wood	0	20
4402	Wood charcoal	0	20
4403	Logs	0	0
4404	Hoopwood	0	0-20
4405	Wood wool & flour	0	5-20
4406	Railway sleepers	0	5
4407	Sawntimber	0 - 2.5	0
4408	Veneer	0 - 6	0
4409	Moulding	0	0
4410	Particleboard	7	20
4411	Fibreboard	7	20
4412	Plywood	6 - 10	0-35
4413	Densified wood	0	20
4414	Wooden frames	0 - 2.5	20
4415	Packing cases	3 - 4	20
4416	Casks, barrels, vats and tubs	0	20
4417	Tools, bodies and handles	0	20
4418	Builders' joinery and carpentry	0 - 3	0-20
4419	Tableware and kitchenware	0	20
4420	Wood marquetry	0 - 4	0-20
4421	Other articles of wood	0 - 4	20
9401	Seats, whether or not convertible into beds, and parts	0 - 5.6	0-2.7
9403	Furniture and parts	0 - 5.6	0-2.7

Source: Malaysian Custom, WTO Tariff
Official Journal of the European Union

The EU applies the Common Customs Tariff in line with the WTO MFN principle, with generally low duties on timber and timber-based products. Most primary products such as logs (HS 4403), fuel wood (HS 4401), and wood charcoal (HS 4402) are subject to 0% duty, while semi-processed and processed products typically range from 0% to 10% depending on specifications. Furniture products (HS 9401 and HS 9403) also face relatively low duties of 0–5.6%.

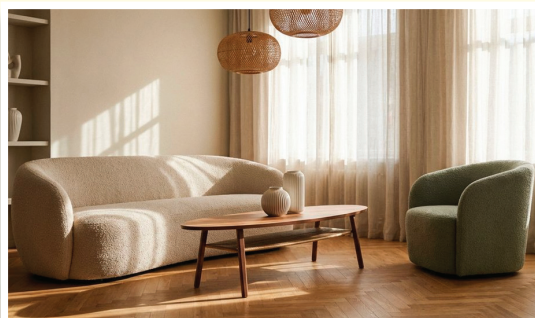
In comparison, Malaysia imposes higher import duties, particularly on value-added wood products, with rates of up to 20%–35%. Overall, the EU tariff structure reflects a relatively open market with low to moderate tariff protection.

Prospect

The EU timber market is gradually improving while undergoing a structural transformation, with significant implications for both demand dynamics and product composition. Modest economic expansion are projected at around 1.2%–1.5% in 2026, coupled with a recovery in construction activity supported by increased public investment in infrastructure, indicating a growing demand base for timber and wood products. Construction remains the primary end-use sector, and this positive momentum—reinforced by rising household incomes and stable financing conditions—suggests moderate but sustained growth in timber consumption in the near to medium term. Prefabricated timber housing continues to dominate the market, valued at approximately EUR 78 billion in 2025 and projected to reach EUR 116.6 billion by 2031, reflecting a compound annual growth rate (CAGR) of 6.92%. Timber-framed prefabricated housing accounts for over 60% of new residential construction in Central and Northern Europe, with per-capita adoption rates particularly high in the Nordic countries, where Sweden approaches 90% for single-family homes.



High-value engineered timber application in modern housing (Sources: Logluxe Europe)



Modern Scandinavian Living Room with Minimalist Wooden Furnishings (Sources: Artisan Furniture)



European Oak Flooring Application in Modern Interior
(Sources: [belgiqa.com](#))



Engineered European Oak Niagara Stain Hardwood Flooring
(Sources: [Hardwoods 4 Less](#))



Sara Kulturhus in Central Skellefteå, Sweden, is a 20-storey timber tower built with prefabricated modules and a CLT core. (Sources: [whitearkitekter](#))

From a financial perspective, the European Central Bank's stable monetary stance, with interest rates maintained and inflation easing to 1.7%, provides a predictable and supportive investment environment. Ongoing credit expansion, reflected in 3.0% growth in lending to firms and mortgage financing, is expected to further stimulate construction and renovation activity. This, in turn, underpins steady timber demand, particularly for residential buildings, refurbishment, and infrastructure-related applications.

The EU market is also experiencing a structural shift in consumption patterns, with growing preference for engineered wood products such as cross-laminated timber (CLT) and glulam, as well as sustainably sourced materials. Europe accounts for approximately 70% of global CLT production capacity, with the CLT market projected to grow at a CAGR of 16.7%, while glulam continues to expand at 5–7% annually. These products are increasingly utilised in mid-rise residential, commercial, industrial, and hybrid timber-steel or timber-concrete structures, broadening the target market for timber beyond conventional residential applications.

At the same time, external challenges including global trade uncertainties, supply chain disruptions, and stricter environmental regulations may constrain traditional timber imports. Consequently, overall demand is rising, but it is becoming selective, quality-driven, and compliance-oriented, favouring certified, value-added, and engineered products over raw or minimally processed timber.

Malaysia's timber industry is actively pursuing strategies to maintain and strengthen its position in the EU, the country's third-largest export market. Exporters are focusing on improving product quality and design while complying with the EU Deforestation Regulation (EUDR) by leveraging the application of the Malaysian Timber Certification Scheme (MTCS) and the Timber Legality Assurance System in Peninsular (MYTLAS), ensuring continuity of trade of value-added products. Despite these initiatives, the industry faces regulatory and operational challenges. The EUDR requires full traceability of timber from deforestation-free sources, creating substantial administrative obligations. Implementation deadlines have been extended: large and medium-sized operators must comply by 31 December

2026, while small and micro-operators have until 30 June 2027, providing Malaysian suppliers with additional time to ensure readiness.

The EU remains a vital partner for Malaysia's timber exports, reflecting a long-standing and stable trade relationship built on sustainable forest management. Demand continues to be strong, with Malaysian exports to the EU totalling at RM1.2 billion in 2025. High-value segments particularly mechanised mass-market products and secondary-processed timber offer promising growth opportunities, provided Malaysia maintains product competitiveness and complies with evolving regulatory requirements.

In conclusion, the EU timber market presents moderate but selective growth prospects, with opportunities concentrated in sustainable, certified, and high value-added timber products. Malaysia's success in this market will depend on its ability to enhance product value, ensure full compliance with EUDR within the applicable deadlines, and maintain quality and innovation to meet the EU's increasing demand for engineered, sustainable, and premium timber products.



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INDONESIA

US Tariffs Impact Furniture Exports

Indonesia's furniture industry has maintained relatively stable performance despite global challenges with the government continuing to support small and medium-sized enterprises (SMEs) to ensure sustainable growth. The Minister of Industry, Agus Gumiwang Kartasasmita, pointed to ongoing guidance, assistance programmes and collaboration with stakeholders to strengthen the industry's competitiveness in both domestic and international markets.

However, Indonesia's furniture export performance has been affected by global market dynamics, particularly the tariff policies of the United States. These policies have created uncertainty and highlighted the need for adaptive strategies and export market diversification.

Promising alternative destinations include Eastern Europe, the Middle East, Latin America and Asian countries such as India and Japan aiming to reduce dependence on the U.S. market.

Source: <https://www.itto.int>, 28 February 2026



VIETNAM

Wood and Furniture Exports Surpass USD17 Billion as Demand Recovers

Vietnam's wood industry entered 2026 with a positive growth outlook as furniture demand in major markets shows signs of gradual recovery. After a period of global economic volatility, improving conditions in housing and retail sectors are supporting renewed demand for wood products and furniture.

Within this context, the United States continues to play a pivotal role, while at the same time imposing increasingly stringent requirements on product quality and supply chain reliability.

In 2025, Vietnam's wood and wood product exports recorded solid growth across most major markets. The United States remained the largest destination, with exports reaching USD9.4 billion, up 4% compared with the previous year, reaffirming its position as Vietnam's primary export market.

Japan stood out with an impressive growth rate of 23%, reaching USD2.15 billion, signalling rapidly expanding demand for Vietnamese wood products. Among other major markets, exports to China increased by 3.5% to USD2.08 billion, while shipments to Canada and the United Kingdom grew by 14% and 9% respectively, reflecting successful efforts at market diversification.

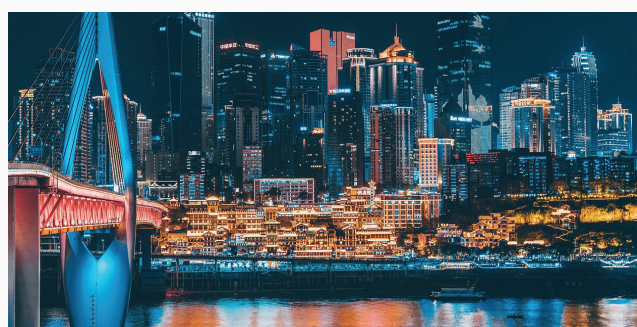
Regional markets such as Malaysia and Australia also maintained growth momentum, with export values of USD167 million and USD163 million respectively.

Overall, the data show that Vietnam's wood industry continues to expand strongly in the US market. Beyond price competitiveness, US buyers increasingly prioritise sustainability certification, transparent origin and traceability, while also requiring stable delivery times and flexible order fulfilment capabilities.

Over the past year, Vietnam's wood industry has faced multiple simultaneous pressures, including weakening demand in certain major markets, volatile logistics costs and increasingly stringent requirements related to legal sourcing and environmental standards. In addition, risks arising from trade defence measures and intensified regional competition have required exporters to adjust their production and export strategies.

Nevertheless, despite these challenges, Vietnam's wood export value surpassed USD17 billion for the first time. This achievement highlights the sector's resilience, adaptability and the relatively solid production and supply chain foundations that have been built in recent years.

Source: <https://www.fordaq.com>, 25 February 2026



CHINA

Decline In Sawnwood Imports From Russia

According to data from China Customs, Russia was the largest supplier of China's sawnwood imports in 2025 but sawnwood imports from Russia fell 8% to 11.25 million cubic metres, accounting for 47% of the national total at a value of USD2.383 billion, down 5% from 2024. The average price for imported sawnwood from Russia in 2025 was USD212 per cubic metres, a year-on-year decline of 0.5%.

China's imports of sawnwood from Russia decreased both in volume and value in 2025. Meanwhile, the increase in transportation costs and the restricted logistics channels have further intensified the pressure on the industry.

Although the trial operation of the Russian-Chinese Arctic shipping route is expected to reduce transportation costs by 28% and shorten delivery time by 14 days, it has not yet established a large-scale transportation capacity.

Furthermore, the adjustment of the Chinese construction and real estate market has led to a decrease in the demand for sawnwood. Coupled with the increasingly strict environmental policies, this has also prompted Chinese timber merchants to accelerate the diversification of their supply chains, thereby reducing their purchases of Russian sawnwood to some extent.

China's sawnwood imports from the Philippines and Vietnam increased significantly by 18% and 134% in 2025. China's sawnwood imports from Thailand dropped to 4.22 million cubic metres valued at USD1.103 million, down 14% in volume and 12% in value from 2024 levels. The average price for imported sawnwood from Thailand in 2025 was USD262 per cubic metre, a year-on-year increase of 3%.

Source: <https://www.fordaq.com>, 23 February 2026



QATAR

Residential Sales Up

The total value of residential sales in Qatar rose by 43.5% year-on-year to QR26.6 billion (USD7.2 billion) in 2025 against a backdrop of expanding supply and softening prices, according to the winter edition of the Qatar Real Estate Market Review from global property consultancy Knight Frank.

As in the first half of 2025, activity remained concentrated in key locations in the fourth quarter of 2025, led by Doha recording 564 transactions with a combined value of QAR2.4 billion and Al Wakrah registering 387 transactions valued at QAR895 million.

At a neighbourhood level, villa prices increased by 6.5% in Al Dafna and by 5% in Al Kheesa in the fourth quarter of 2025, according to Knight Frank in its report.

This contrasted with Abu Hamour, which registered a 9.5% year-on-year decline despite commanding the highest average price (QR7,740 per square meter). Umm Salal Ali remained the most affordable villa market, averaging QR5,800 per square meter.

Across the country, apartment sale prices declined by 2% year-on-year, averaging QR12,865 per square meter, stated the report.

The Waterfront (QR15,265 per square meter) and Viva Bahriyah, The Pearl Island (QR14,630 per square meter) recorded the highest pricing, reflecting continued demand for premium waterfront living. Values were also well supported in Qanat Quartier (QR14,590 per square meter), while Porto Arabia, The Pearl Island (QR11,787 per square meter), remains a more affordable option within The Pearl.

Faisal Durrani, Partner – Head of Research, Mena, said: "Average villa prices fell by 1% during the 12 months to the fourth quarter of 2025, reflecting a more competitive pricing environment as supply expands and buyers become increasingly value-led."

"Despite this moderation, prime locations remain resilient, supported by steady demand for premium schemes. Indeed, overall residential transaction activity strengthened in 2025, with the number of deals increasing by 50% year-on-year to 6,831," noted Durrani.

"Although residential prices are softening, strong growth in transaction volumes highlights continued liquidity and demand in Qatar's core residential markets and indicating stabilisation, rather than a market in retreat".

“Knight Frank’s analysis reveals that Al Dafna’s prime location close to Doha’s business hubs and the Corniche continues to fuel price growth, while in Lusail, Al Kheesa’s competitive pricing, strategic location and community feel is finding favour among value-conscious buyers.”

A modest market correction saw the average villa rental rate decline by 2.4% to an average of QR12,985 per month in the fourth quarter of 2025, said Knight Frank in its report.

Demand remains focused on prime communities, with West Bay Lagoon continuing to lead the market, averaging QR18,656 per month for a three-bedroom villa, rising to QR25,696 for five bedrooms, it added.

In the fourth quarter of 2025, apartment lease rates declined by 7%, although demand remains robust in established, lifestyle-led districts. The Pearl Island commands the highest rents, with average monthly rates of QR8,440 for one-bedroom, QR11,645 for two-bedroom and QR15,500 for three-bedroom apartments. Fox Hills is the most affordable option, with one-bedroom units averaging QR5,875 per month.

Source: www.tradearabia.com, 1 February 2026



GERMANY

Housing Permits Rise for First Time Since 2021

Germany approved the construction of 238,500 homes in 2025, marking a 10.8% increase or 23,200 units compared with 2024, according to preliminary data from Statistisches Bundesamt (DESTATIS). The previous year had seen permits fall to their lowest level since 2010. The 2025 figures therefore represent the first annual increase in residential building permits since 2021.

The data include permits for both newly built dwellings and units created through the conversion of existing buildings. As a leading indicator, building permits provide an early signal of future construction activity.

New construction drives recovery

Permits for new residential units rose by 12.6% year-on-year to 198,100, an increase of 22,100 homes. By contrast, permits for dwellings created through the conversion of existing buildings increased more modestly by 2.7%, or 1,000 units, to 40,400.

Within newly constructed residential buildings, a total of 194,200 units were approved in 2025 up 13.2% from the previous year. Developments varied across housing types. Permits for single-family homes rose sharply by 17.2% to 44,500 units, with growth recorded throughout the year. In contrast, approvals for two-family homes remained broadly stable at 12,600 units, down slightly by 1.1%. Together, these two categories typically built by private individuals accounted for 28.8% of all newly approved dwellings.

Multi-family housing, the largest segment and predominantly developed by companies, recorded 128,100 approved units in 2025. This represents a 12.1% increase year-on-year and accounts for 64.6% of all newly approved residential units. The rebound in this segment became particularly evident in the second half of the year.

Approvals for new residential care homes and similar facilities rose even more strongly, climbing 34.2% to 9,100 units.

Companies and households increase activity

In non-residential buildings such as caretaker apartments in schools or residential units above commercial premises 3,900 dwellings were approved in 2025, down 10.3% from the previous year.

Overall, around 95% of the 198,100 new-build permits issued in 2025 were attributed to companies and private individuals. Companies accounted for 108,800 units, an increase of 14.6% compared with 2024, while private individuals received permits for 79,200 units, up 14.9%.

By contrast, approvals linked to applications from public authorities declined by 23.2% to 6,900 units, indicating continued restraint in publicly led residential development despite the broader recovery in permit activity.

Source: <https://www.fordaq.com>, 27 February 2026



ESTONIA

Estonian Sawlog Prices Edge Higher at The Start of 2026

Estonian sawlog prices opened 2026 at a slightly higher level, with most standard assortments posting small month-on-month gains and remaining clearly above year-earlier levels.

Pine sawlog prices increased by 0.6% from December to EUR108.21/cubic metres in January and were 13.9% higher than in January 2025. Spruce sawlogs followed the same pattern, also rising by 0.6% month on month to EUR110.41/cubic meters and standing 15.8% above last year's level. These movements indicate continued stability in the core sawlog market at the start of the year.

Small-diameter sawlogs moved in the opposite direction. Pine small sawlogs declined by 0.7% compared with December, while spruce small sawlogs fell by 0.5%. Despite the monthly correction, prices for both assortments remained higher than a year earlier, by 5.6% and 7.3% respectively.

Hardwood sawlog prices showed mixed developments. Birch veneer logs rose by 1.1% month on month in January but remained 5.7% lower than a year earlier. Birch sawlogs increased by 1.7% compared with December, although they were still 4.8% below January 2025 levels. Aspen sawlogs were the most volatile, falling 9.1% from December after a sharp rise at the end of last year and standing 4.4% lower year on year.

Overall, the January data suggest a firmer start to the year for standard sawlogs, while smaller-diameter and lower-value assortments remain under pressure. Price movements continue to reflect selective demand rather than a broad-based market shift.

Source: www.globalwoodmarketsinfo.com, 10 February 2026



BRAZIL

Timber Exports Fall in 2025 Amid Tariffs and Regulatory Uncertainty

Brazil's timber products exports declined by 3% in 2025 to USD1.6 billion, compared with the previous year, according to ComexStat, the government platform providing official foreign trade data. The contraction was largely attributed to external pressures, notably the imposition of US tariffs on Brazilian products and ongoing regulatory uncertainty linked to the EU Deforestation Regulation (EUDR).

The figures were published in the International Tropical Timber Organization Tropical Timber Market (TTM) Report, covering the period 16–31 January 2026.

The product groups analysed include pine sawnwood, logs and plywood, tropical sawnwood and plywood, as well as teak logs and sawnwood. By export value, the leading products were pine plywood, at USD712.6 million and pine sawnwood, at USD662.1 million. The United States remained Brazil's largest single destination market throughout the year.

However, shipments to the US showed a steady decline beginning in April 2025, which intensified following the announcement of reciprocal tariffs and became more pronounced from September onwards. By December, exports to the US had fallen sharply to USD19.3 million, compared with USD45.8 million in December 2024.

Despite the challenging backdrop, export volumes showed signs of recovery toward the end of the year, supported by increasing market diversification. Pine sawnwood exports, which peaked at USD67.3 million in February before falling to USD42.7 million in August, recovered to approximately USD55 million in December. This rebound was driven in part by stronger demand from Middle Eastern markets, particularly Saudi Arabia and the United Arab Emirates.

A similar trend was observed in pine plywood exports, which began to recover in November following the announcement of a potential postponement of EUDR implementation. Export values rose from USD37.3 million in November to USD58.6 million in December, reflecting renewed buying interest ahead of regulatory clarification.

Looking ahead to 2026, the Brazilian timber sector expects a strategic environment focused on operational efficiency, cost reduction and further market diversification. Maintaining competitiveness through product quality and adaptability is seen as essential as exporters continue to navigate a challenging geopolitical and regulatory landscape.

Source: <https://www.forda.com>, 9 February 2026



SOUTH AFRICA

Market Insights on Furniture Market Size

The South Africa furniture market size was valued at USD2.47 billion in 2024. The market is projected to grow from USD2.57 billion in 2025 to USD3.65 billion by 2032, exhibiting a CAGR of 5.17% during the forecast period.

Furniture serves a variety of functional and aesthetic purposes in consumer's daily life and has a wide application in both residential and commercial places. It is designed to serve specific purposes. For instance, a dining table and chairs are functional for eating, while a desk and chair are essential for work and study.

Besides, many types of furniture, such as cabinets, dressers, and shelves, offer storage space to help keep living and working spaces organized. The South Africa furniture market growth is mainly driven by the accelerating demand for sustainable home furnishing products, along with the rising trend for customized furniture products in the country. Consumers in South Africa have been showing an increased interest in products made from renewable materials, following eco-friendly business practices.

Furthermore, minimalist and functional furniture designs have also gained popularity for the market growth. People are looking for furniture pieces that are both aesthetically pleasing and practical, especially in smaller living spaces. Therefore, customers in South Africa are opting for unique and personalized furniture pieces that suit their preferences and spaces, fostering the overall market share.

Source: www.fortunebusinessinsights.com, 23 February 2026



GLOBAL

Japan Becomes Canada's Anchor Timber Market as Exporters Rebalance Away From The US

Japan has emerged as the leading overseas destination for Canadian timber, reflecting a strategy that favours higher returns and structural alignment over sheer market size.

In the global export hierarchy, Canada has not prioritised populous markets such as China or India. Instead, it has concentrated on Japan, where demand characteristics and pricing dynamics offer stronger margins and greater product compatibility.

Bruce St. John, president of the Canadian Lumber Group, said Japan generates the highest value returns for Canadian timber imports. The relationship extends beyond standard lumber shipments. Japanese buyers demand specialised and customised products, creating a supply chain that is more integrated than transactional.

The Japanese construction market has reinforced that alignment. Although overall housing starts have fallen to less than half the level recorded three decades ago, the composition of demand has shifted. Detached homes are gradually giving way to multi-storey timber-framed buildings, opening space for advanced engineered wood systems in which Canadian producers have experience.

Canada's timber building expertise developed over decades in North America has positioned exporters to meet Japan's evolving regulatory and structural requirements. The result has been a deepening of commercial ties anchored in technical compatibility as much as trade volume.

US pressure accelerates diversification

The emphasis on Japan also reflects pressures elsewhere. Canadian lumber exports to the United States continue to face tariffs and trade friction, weighing heavily on producers in British Columbia. Mill closures and falling lumber prices have strained the sector, prompting a renewed push to diversify geographically.

Mexico, the Middle East and North Africa have emerged as priority growth targets. The objective is to dilute reliance on the US market by cultivating alternative demand centres.

Yet expansion into new regions presents structural hurdles. St. John, who recently completed a trade visit to Japan, China and South Korea, acknowledged that regulatory frameworks remain a significant obstacle. In markets where timber-framed construction lacks established codes or standards, exporters must invest in building technical foundations from the ground up. That raises both costs and time horizons.

China and India: divergent paths

While Japan currently anchors Canada's export strategy, China and India remain strategically important albeit in different ways.

India's demographic profile and expanding consumer base offer long-term potential, particularly in furniture manufacturing driven by domestic demand and export growth. However, logistical and technical barriers complicate rapid expansion. Shipping times from British Columbia to India are roughly three times longer than to Japan. Climatic conditions, including termite risk, require adapted building systems and protective treatments. Import regulations further constrain product categories.

China presents a different profile. As residential property growth moderates and concrete remain dominant in mainstream housing construction, Canadian exporters have shifted their focus towards non-residential applications. Resorts, conference centres and public buildings are seen as more promising channels for timber-framed systems.

Environmental considerations play a central role in that positioning. With construction accounting for an estimated 40 per cent of China's carbon emissions, timber structures offer a lower-emissions alternative to conventional materials. Canadian industry representatives argue that wood-based building systems can align with Beijing's decarbonisation objectives, creating openings in the commercial and institutional segments.

Source: <https://www.globalwoodmarketsinfo.com>, 27 February 2026

Wooden Furniture Trade Projected to Decline in 2025

Preliminary trade data suggest that the global wooden furniture trade declined by around 3% in 2025, with total trade value estimated at USD73.4 billion. This marked a clear reversal from 2024, when trade had expanded by roughly 2%.

The change in direction was driven less by Europe and more by developments elsewhere. In 2024, the overall level of global trade was held back by weaker demand in the European Union despite strong growth in other regions. In 2025, the situation shifted: EU trade held up relatively well, while a sharp downturn in trade flows occurred outside Europe, driven mainly by political and trade policy developments in the United States.

The most pronounced contraction was recorded in the US market. US imports of wooden furniture are projected to have fallen by nearly 8% to USD20.7 billion in 2025. This decline had a direct impact on several key exporting countries, particularly those affected by tariff measures introduced during the year.

Exports from China, the world's largest wooden furniture exporter, are estimated to have dropped by 10% to USD20.4 billion. Canada and Mexico were also heavily affected, with exports falling by 11% to USD1.5 billion and 12% to USD1.4 billion, respectively.

Among leading tropical exporters, performance was mixed. Vietnam proved comparatively resilient, with wooden furniture exports projected to have increased by 1% to USD8.2 billion. In contrast, exports from Malaysia declined by 5% to USD2.1 billion, while Indonesia saw a 6% drop to USD1.4 billion. India's exports were down 8% to USD810 million, and Brazil's exports edged 0.5% lower to USD650 million.

Within Europe, trade showed relative stability. Total EU wooden furniture exports remained broadly flat at USD29.3 billion, supported by a 2.3% increase in extra-EU exports, which offset a modest decline in intra-EU trade. Among the world's largest importers, results were mixed, with moderate growth in markets such as the UK, the Netherlands and Spain contrasting with declines in the US and parts of Asia.

Overall, the data indicate that 2025 was shaped more by geopolitical and trade policy factors than by underlying consumer demand alone, leading to uneven performance across regions and exporters.

Source: www.fordaq.com, 5 February 2026

Familiar Asian cities top the boxport podium

The podium among global boxports remains the same going into 2026, with the three top Asian hubs reporting swelling container traffic in 2025 despite the cloudier global trading conditions.

Shanghai International Port Group (SIPG) has reported a record-breaking 55.06m teu in throughput for 2025, a 6.9% annual increase in throughput, ensuring it retains its crown as the world's largest container port for a 16th straight year. SIPG pointed towards "complex and volatile global trade conditions" and "extreme weather events" as challenges it faced over the past 12 months.

In second spot, Singapore celebrated a record throughput of its own last year, moving a total of 44.66 m teu, up 8.6% year-on-year.

Ong Kim Pong, group CEO of PSA International, the country's top port operator, commented today, "Amid shifting global trade patterns and evolving industry dynamics, effective coordination and connectivity across ports and supply chain nodes have never been more critical."

In bronze on the container podium, Ningbo-Zhoushan port handled 43m teu in 2025. The port is the world's largest overall, handling more than 1.4bn tonnes last year.

Beyond plain throughput numbers, other metrics are increasingly being used to measure a container port's success.

Last November, for instance, DNV and Menon Economics crowned Singapore as the world's leading container port in the first edition of the Leading Container Ports of the World (LCP) report to go alongside many other maritime hub

accolades the Southeast Asian nation has been bestowed with this year. Shanghai and Ningbo-Zhoushan followed in second and third place.

The LCP report benchmarks 160 ports against 35 indicators grouped into five pillars: enablers, connectivity and customer value, productivity, sustainability, and overall impact. These indicators are based on objective data, such as throughput volumes, berth productivity, emissions per teu, and alternative fuel availability.



Meanwhile, the fifth edition of the World Bank's Container Port Performance Index (CPPI), published last September in association with S&P Global, focuses more on total vessel time in port. In that report, Shanghai came out on top with Singapore not registering in the top 10.

Splash247_14 January 2026

Can Southeast Asia evolve from factory floor to strategic node in global supply chains?

A container loaded with electronics leaves a factory complex outside Ho Chi Minh City, rolls by truck to the Cai Mep-Thi Vai deepwater complex, and sails for Long Beach. This looks like a win. Exports from Southeast Asia to the US have climbed as Chinese shipments came under steep tariffs. But follow the bill of materials and finance flows and a question arises: will Asean remain an appendix in China's supply chains, or become a node in the system that runs them?

Exports to the US have surged. Many Asean products face lower US rates than comparable Chinese goods. Asean looks like the default China plus option. Chinese manufacturers opened plants and China has become the region's largest trading partner. The region has deepened its dependence on Chinese capital, technology and components.

Vietnam and the Philippines have invested in more complex electronics and services. Malaysia and Thailand have seen flatter trajectories, while Indonesia and Cambodia remain relatively undiversified. More volume does not mean more capability, if design, tooling and key components still

arrive in crates or digital images. If a future US-China deal narrows tariff differentials or extends carve-outs on product lines, much of the production that has arrived, in principle, will leave just as fast, particularly in footloose, low-margin segments.

Design, advanced components, critical software, and customer relationships often sit in China, the US, or Europe, while Asean handles final assembly and labour-intensive steps. Services contribute roughly half of the total value added in many manufacturing value chains. The margin is shifting to whoever controls the data, platforms, and decision-making.

On this front, Asean holds more cards than the factory Asia label suggests. The region's digital economy can reach the high hundreds of billions of dollars by 2030, and scenario work around the Asean Digital Economy Framework Agreement suggests that a fully implemented deal could push it towards \$2tn. Ports such as Cai Mep-Thi Vai, Singapore and Port Klang host Asia-US and Asia-Europe

mainline services, acting as consolidation hubs for regional cargo and as feeders into corridors such as the India-Middle East-Europe Economic Corridor. The question is whether the orchestration intelligence behind those services, such as the scheduling software, booking platforms and trade finance engines, will increasingly reside in Asean.

In *Connectography*, Parag Khanna describes a world of “competitive connectivity” – with cities and supply chains as the vital nodes – as the true arms race of this century. Without sustained investment in education, skills and health, Asean risks wasting its demographic dividend. Some cities, notably Singapore and Penang, already act as hubs for engineering, chip design and regional control towers, while others remain in lowskill manufacturing and informal services. We might see globally connected, high-skill, high-wage pockets surrounded by large pools of low-productivity, low-wage activity.

Under severe warming scenarios with limited adaptation, Asean’s collective GDP could shrink by a third or more by mid-century, as floods, heat, storms, and sea-level rise risk damaging ports and disrupting cities. Yet this opens a premium for locations that combine resilient infrastructure and credible decarbonisation with efficient trade and digital connectivity, as global capital and brands search for platforms that can withstand climate and tariff shocks.



Asean can leverage foreign direct investment to support education that trains engineers, data analysts, logistics specialists, and cybersecurity professionals. The region should align incentives with businesses that bring higher-value functions such as R&D, digital platforms, and green infrastructure. Asean can emerge as an orchestrator of goods, data and capital, writing not only another chapter in factory Asia, but the operating manual for its digital and green upgrade.

Splash247_18 January 2026

Repricing port assets

New York wants its waterfront to be a bellwether of the climate transition, and, in the process, to test whether a port-city climate lab can really move the needle for global shipping. At the Brooklyn Army Terminal, the city plans BATWorks, a 200,000 sq ft climate innovation hub that, according to NYCEDC, is expected to host around 150 start-ups over 10 years, backed by \$100m in public investment and projected to generate \$2.6bn in economic impact.

New York joins a race to turn ports into transition engines, but it is choosing a different starting point. BATWorks sits at the centre of New York City’s Green Economy Action Plan, which aims to reduce risk for new climate solutions, attract green economy businesses and build the spaces and skills they need. At the Brooklyn Army Terminal, industrial

buildings are being reused for research facilities, testing areas and meeting spaces that connect innovators directly with waterfront tenants and logistics operators.

Ports such as Rotterdam and Singapore already use their harbours as test grounds for cleaner shipping, digital port operations and new energy systems, positioning themselves as hubs for the industry’s transition. BATWorks gives New York Harbor a similar strategic platform, but with a sharper focus on the sea-city-hinterland interface. The hub anchors the Harbor Climate Collaborative, which connects the Brooklyn Army Terminal, Governors Island and the Brooklyn Navy Yard into a single learning ecosystem expected to open six million square feet of climate-focused space, support 5,000 permanent jobs and generate about \$55bn in economic impact over time.



Early pilots show how a harbour side experiment can start to rewrite port logistics. Companies like itselectric and Matcha are testing kerbside and shared charging for electric vehicles to clean up pre- and post-carriage, while others trial battery swapping for smaller vehicles to support dense, low-emission delivery networks that ease pressure on port-adjacent streets. Emissionless is using shared electric fleets to push these gains into regional flows between terminals and inland hubs; monitoring tools from Conservation Labs and Enertiv are turning water and energy data into operational intelligence; and Circular Economy Manufacturing’s small scale, renewably powered factories point to local production models that shorten some supply chains, cut waste and open new cargo and service opportunities around the port.

This is a prototype for a new class of port infrastructure: the port climate lab. Who captures the value if this becomes a reference site for ecosystem innovation? BATWorks and the Harbor Climate Collaborative can be treated as shared learning infrastructure, a neutral ground. Programme leadership at BATWorks is planned to come from the Los Angeles Cleantech Incubator, which has experience linking city pilots to procurement and long term deployment.

Companies will need to move beyond one-off pilots, commit assets and data to longer-term learning, help shape open approaches to charging, data use and safety, and use New York Harbor as a reference site for solutions they can later apply across their wider networks. Public bodies and financiers will need to treat BATWorks as essential climate

and industrial infrastructure: providing stable capital, outcome-linked support and procurement pathways that can pull proven trials into everyday port and supply chain operations.

If New York succeeds, BATWorks will show that cutting emissions from shipping-related logistics is less about a single breakthrough fuel or technology and more about connecting many practical innovations in one place and making them investable. Ports that plug into climate labs like this early will help set the standards the rest of the world will follow, not by decree but through the examples they set in the market.

Splash247_26 January 2026

Wan Hai tightens grip on Japan routes with Osaka terminal investment

Taiwanese containerline Wan Hai Lines is moving deeper into Japanese port infrastructure with the acquisition of Terminal C9 at Osaka Port, spending about \$87m to strengthen its core intra-Asia network.

The Taipei-headquartered carrier said in a Taiwan Stock Exchange filing that its board approved the purchase last week. The deal covers the right-of-use asset for the C9 container terminal and related facilities at Osaka Port, with Wan Hai partnering with Mitsui Warehouse Port & Transport.

The asset spans roughly 129,959 sq m and carries a total value of about \$86.8m, according to independent estimates. Wan Hai said the move is aimed at boosting operational autonomy, improving terminal efficiency and securing cargo capacity on key Japan-Taiwan routes.

Osaka is one of Japan's major container gateways, and the C9 terminal sits within the Sakishima (Nanko) district, the port's main container logistics hub. The area handles the bulk of Osaka's Asia-facing trade, particularly services linking Japan with Southeast Asia and China.

Terminal C9 is one of several berths at Sakishima, which also includes C1 to C4 and C8. The terminals are operated by Hanshin Port and are equipped with modern cranes, container yards and nearby logistics facilities, including the Nanko International Container Center.

Wan Hai's control over terminal capacity would help lift schedule reliability and streamline port operations, a growing priority for carriers focused on short-haul Asian trades.

The acquisition builds on the Wan Hai's earlier investments in Japan, including its lease of the Honmoku D4 terminal in Yokohama and give the carrier a stronger foothold in two of Japan's key container ports.

Wan Hai, ranked 11th globally by capacity according to Alphaliner, is best known for its intra-Asia operations and is widely regarded as one of the largest players in the regional container market. Japan-Taiwan services form a core part of that network. Other carriers calling at the C9 terminal include Yang Ming, Interasia and CK Line.

Splash247_27 January 2026



Shipments of Timber and Timber Products Through Ports in Peninsular Malaysia, JANUARY 2026

Products	Port Klang		Kuantan		Pasir Gudang		Tanjung Pelepas		Penang		Total all ports (m³)	% change December 2025/ January 2026
	m³	% Change	m³	% Change	m³	% Change	m³	% Change	m³	% Change		
Sawntimber	38,954	-1	6,883	-53	1,262	83	447	-35	2,535	-48	50,080	-17
MDF	6,872	-38	0	0	258	-69	1,579	19	85	266	8,795	-34
Mouldings	15,531	-1	0	0	1,429	4	1,543	-1	158	-11	18,660	-1
Plywood	4,553	-21	0	0	79	100	989	133	14,992	-9	20,613	-9
Veneer	618	-10	0	0	14	-62	0	0	500	490	618	-10
Particleboard	6,250	-24	0	0	19	-74	0	0	5,461	-8	11,730	-18
Total	72,778	-10	6,883	-53	3,061	2	4,558	14	23,730	-14	111,010	-15

LOGS

The timber price in January 2026 for heavy hardwoods remained the same as in December 2025. Chengal was recorded at the price of RM3,220/tonne, Balau at RM3,710/tonne, Red Balau at RM2,123/tonne and Merbau at RM2,850/tonne. For medium hardwood, the price for Keruing, Kempas, Kapur, Mengkulang and Tualang were RM1,930/tonne, RM1,586/tonne, RM1,840/tonne, RM1,769/tonne and RM1,383 respectively. For light hardwood, the price for Dark Red Meranti was RM1,650, Red Meranti was RM1,900/tonne, Yellow Meranti was RM1,610/tonne and Nyatoh was RM1,270/tonne. As for rubberwood, the price was RM191/tonne as compared to December 2025.

SAWNTIMBER

In January 2026, the price for Chengal sawntimber remained at RM5,473/m³ in the General Market Specification (GMS) grade, while the price for scantling remained at RM6,356/m³ and the price for strips was at RM2,754/m³. This was followed by Balau with its GMS grade priced remaining at RM3,043/m³ and scantlings remaining at RM4,590/m³. As for medium hardwood, timber species such as Keruing were priced at RM2,895/m³ for GMS, while its scantling and strips were RM1,860/m³ and RM2,260/m³ respectively. Meanwhile, for Kempas the price for its GMS was RM2,163/m³, its scantling was at RM2,401/m³ and strips were RM1,783/m³. The price of rubberwood sawntimber in January 2026 amounted to RM1,200/m³ for 1"x1", RM1,300/m³ for 2"x2", RM1,380/m³ for 3"x3" and RM1,430/m³ for 4"x4".

PLYWOOD

In January 2026, the Plywood price segment remained the same as compared to the previous month. The price for 6mm sheets was RM26.00/sheet, 9mm sheets was RM38.00/sheet and 12mm sheets was RM48.50/sheet.

MEDIUM DENSITY FIBREBOARD (MDF)

In January 2026, the MDF price segment remained the same compared to the previous month. The price for boards of 4mm thickness was RM12.90/piece, 6mm thickness was RM23.95/piece, 9mm thickness was RM31.70/piece and 12mm thickness was RM37.80.

TRADE IN MALAYSIA – JANUARY 2026

In January 2026, commerce between Sabah and Sarawak with Peninsular Malaysia totalled at 2,267 m³, with a value of RM3.28 million. Sabah remained the top contributor to the trade value for Peninsular, recording a trade value of RM1.31 million (627 m³) for plywood, followed by sawntimber with RM0.67 million. Meanwhile for Sarawak, the trade value for plywood was RM0.74 million while sawntimber was RM0.56 million.

*AVERAGE DOMESTIC PRICES OF LOGS, SAWNTIMBER, PLYWOOD AND MDF IN PENINSULAR MALAYSIA

RINGGIT MALAYSIA

JANUARY 2026

SPECIES	LOGS/ton	SAWNTIMBER/m³			
	18" UP	GMS	STRIPS		SCANTLINGS
HEAVY HARDWOOD					
Chengal	3,220	5,473	2,754		6,356
Balau	3,710	3,043	1,854		4,590
Red Balau	2,123	2,083	1,801		2,419
Merbau	2,850	3,743	3,225		3,725
Mixed Heavy Hardwood	1,212	1,209	1,066		1,243
MEDIUM HARDWOOD					
Keruing	1,930	2,895	1,860		2,495
Kempas	1,586	2,163	1,783		2,401
Kapur	1,840	1,746	1,271		1,685
Mengkulang	1,756	1,192	1,318		1,871
Tualang	1,383	1,907	1,518		1,730
LIGHT HARDWOOD					
Dark Red Meranti	1,650	2,083	1,942		3,337
Red Meranti	1,900	1,754	1,942		2,542
Yellow Meranti	1,610	1,730	1,255		1,801
White Meranti	1,667	2,024	1,801		1,607
Mersawa	1,425	1,681	1,342		2,154
Nyatoh	1,270	1,774	1,548		1,208
Sepetir	1,177	1,801	1,601		1,283
Jelutong	1,215	2,119	1,571		1,819
Mixed Light Hardwood	1,207	1,266	1,083		1,112
MALAYSIAN RUBBERWOOD Hevea brasiliensis	LOGS/ton	SAWNTIMBER/m³			
		1" x 1"	2" x 2"	3" x 3"	4" x 4"
	191	1,200	1,300	1,380	1,430
PLYWOOD 4' x 8' (RM per piece)	4mm	6mm	9mm		12mm
	19.50	26.00	38.00		48.50
MDF 4' x 8' (RM per piece)	4mm	6mm	9mm		12mm
	12.90	23.95	31.70		37.80

Note: Log prices ex-matau. Sawntimber, Plywood, MDF and Malaysian Rubberwood (Hevea brasiliensis) prices ex-mill

* Prices are only indicative

INTRA-MALAYSIA TRADE

	DECEMBER 2025		JANUARY 2026		% change in volume	% change in value
	Vol(m³)	Val(' 000 RM)	Vol(m³)	Val(' 000 RM)	DECEMBER 2025/ JANUARY 2026	DECEMBER 2025/ JANUARY 2026
Sabah						
Logs	0	0	0	0	0	0
Sawntimber	339	421	415	637	22	60
Plywood	1,925	4,241	627	1,312	-67	-69
Veneer	461	1,081	0	0	-100	-100
Sarawak						
Logs	0	0	0	0	0	0
Sawntimber	175	241	384	556	119	131
Plywood	949	975	842	741	-11	-24
Veneer	0	0	0	0	0	0

Source: Department of Statistics Malaysia
Tabulated: Malaysian Timber Industry Board

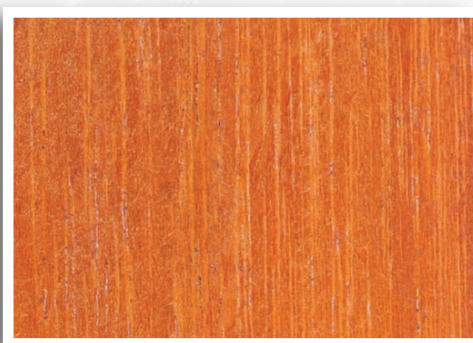
TEMPINIS

Prepared by: Encik Mohd Ameerul Simon Abdullah

Introduction

The Standard Malaysian Name as well as the ASEAN Standard Name for the timber of *Streblus elongatus* (Moraceae) is tempinis. The vernacular name applied appears to be very uniform in that only tempinis is used throughout the country. Only one species attains tree size, viz. *S. elongatus*. The sapwood is light yellow-brown and is sharply differentiated from the heartwood, which is red-brown when fresh, darkening to a deep shade of brown or dark chocolate-brown on exposure.

It is also known as Tempinis (Indonesia) and Khoi (Thailand).



Density

The timber is very hard and very heavy with a density of 915-1,025 kg/m³ air dry.

Natural Durability

The timber is very durable. Graveyard test carried out on the wood of *S. elongatus* gives an average service life of 11.3 years.

Texture

Its texture is fine and even with interlocked grain.

Strength Properties

The timber falls into Strength Group A (Burgess, 1958).

Machining Properties

It is moderately easy to difficult to resaw and is slightly difficult to difficult to cross-cut. Planing is difficult but the planed surface is smooth.

Nailing Property

The nailing property is rated as very poor.

Air Drying

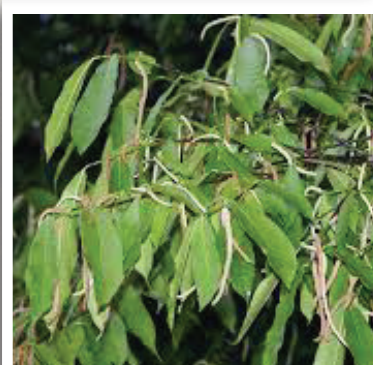
The timber seasons fairly rapidly with no defects at all. 13 mm thick boards take approximately 2.5 months to air dry, while 38 mm boards take 3.5 months.

Shrinkage

Shrinkage is very low, with radial shrinkage averaging 0.8% and tangential shrinkage averaging 1%.

Uses

The timber is suitable for all forms of heavy construction like bridges, wharves, etc. Other uses include flooring (heavy traffic), railway sleepers, power transmission poles, beams, joists, rafters, columns (light to heavy duty), tool handles (impact), staircase (carriage, newel, riser, stringer, tread, bullnose, round end and winder), door and window frames and sills.



Reference:

Burgess, H.J. 1958. Strength Grouping of Malaysian Timbers. Malayan Forest Service Trade Leaflet No.25. The Malaysian Timber Industry Board and Forest Research Institute Malaysia, Kuala Lumpur. 15 pp.

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Wong, T. M. 1982. A Dictionary of Malaysian Timbers. Revised by Lim, S. C. & Chung, R. C. K. Malayan Forest Record No. 30. Forest Research Institute Malaysia Kuala Lumpur. 201 pp.

4 & 26 FEBRUARY 2026

Implementation Of the EU Deforestation-Free Regulation (EUDR) Compliance Training and Preparation Programme Organised by the Malaysian Timber Industry Board (MTIB)

3-5 FEBRUARY 2026

Review, Improvement and Determination of Skills Training Assessment Questions Programme

11-12 FEBRUARY 2026

Master of Ceremonies Training Course

14 FEBRUARY 2026

Woodworking Machine Operation Module Pilot Programme (Bamboo Lamination)

15 FEBRUARY 2026

Program Budi Agrikomoditi KPK 2026

22 FEBRUARY 2026

Program Santuni MADANI MTIB 2026