



**WOOD RESOURCES INTERNATIONAL**

## **The Coronavirus Has Not Stopped the Global Trade of Forest Products**

Hakan Ekstrom

The Coronavirus Epidemic has negatively impacted the supply chains for numerous industry sectors worldwide the past few months. Many commodity products saw reduced trade during March and April, a result of reduced demand, closures of manufacturing facilities to protect workers, constraint in the handling capacity of goods at many ports, and widespread financial distress. However, one sector that has remained fairly strong during the initial period of the epidemic is the forest products industry.

Demand for toilet paper, face masks, disinfecting wipes, corrugated paper for cardboard boxes, and wood products for home renovations are just a few forest products that have been in unusually high demand in many countries during this spring.

A closer look at the March 2020 trade data, the first "Coronavirus month", reveals that global trade of lumber, logs, wood chips and pulp increased in March as compared to the previous month.

The following snapshot illustrates a few interesting examples from the WRQ of positive developments in the forest industry sector from February to March this year:

**Softwood Logs** - China increased imports by 14% m-o-m, with most of the added logs originating from New Zealand, Germany and Russia. Log imports to South Korea rose 19%, while Australia and Canada shipped about 70% more logs in March than in the previous month. **Softwood Lumber** - Lumber shipments from New Zealand and Canada were up 32% and 25% m-o-m, respectively. Lumber importation was up in most of the major markets in March, including China (+59% m-o-m), the US (+27%), the United Kingdom (+13%), and Japan (+10%).

**Wood Pulp** - Three of the four largest pulp-exporting countries, Brazil, the US and Chile, increased their shipments between 12% and 26% in March (m-o-m). The five top importing countries all purchased more pulp in March than in February, with China and South Korea increasing their volumes the most (40% and 29% respectively).

**Hardwood Chips** - China, Portugal, and South Korea imported more chips for their pulp industry in March than in the previous month. Most of the major chip-exporting countries, including Australia, Thailand, South Africa, and Brazil shipped more chips in March than in February.

In the coming months, numerous countries around the world are planning to ease lockdown policies and loosen the rules that are restricting house constructions, international commerce and consumer shopping. These changes may further benefit many companies in the forest industry sector. However, expect a rough road ahead.

### **Business Address**

Wood Resources International LLC

P.O. Box 1891

Bothell, WA 98041, USA

Ph: +1 [425 402 8809](tel:4254028809)

Email: [info@woodprices.com](mailto:info@woodprices.com)



2 July 2020



**SENT TO LSU AGCENTER/LOUISIANA FOREST PRODUCTS DEVELOPMENT CENTER - FOREST SECTOR / FORESTY PRODUCTS INTEREST GROUP**

-----

Richard P. Vlosky, Ph.D.  
*Crosby Land & Resources Endowed Professor of Forest Sector Business Development*  
*Director, Louisiana Forest Products Development Center*  
Room 227, School of Renewable Natural Resources  
Louisiana State University, Baton Rouge, LA 70803  
Phone (office): (225) 578-4527; Mobile Phone: (225) 223-1931  
Web Site: [www.LFPDC.lsu.edu](http://www.LFPDC.lsu.edu)

