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LANGKAWI BAMBOO FESTIVAL 2022

- KNOWLEDGE SHARING ON WOOD AND ECO-PRODUCTS 2022
- RECOGNITION OF PRIOR EXPERIENTIAL LEARNING (RPEL 2021)

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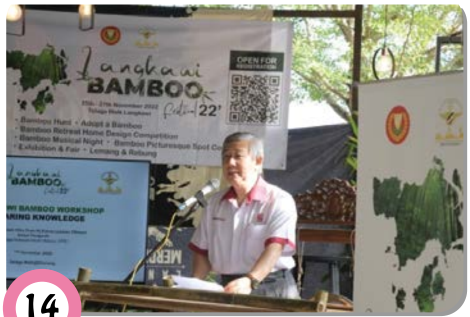

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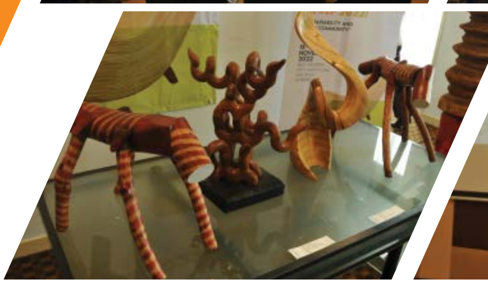
KNOWLEDGE SHARING ON WOOD AND ECO-PRODUCTS 2022

In conjunction with the International Conference on Wood and Eco-Products (ICWEP) 2022, MTIB, through Fibre & Biocomposite Centre (FIDEC) in collaboration with Universiti Teknologi MARA (UiTM) organised a programme entitled Knowledge Sharing Session on Wood and Eco-Products on 15 November 2022 at Shah Alam, Selangor. The session aimed to provide information on the application of alternative raw materials, and to serve as a platform for sharing activities and projects related to wood and biocomposites that had been carried out by MTIB.

The sharing session was officiated by YBrs. Tuan Haji Kamaruzaman Othman, Director General of MTIB. In his opening speech, Tuan Haji Kamaruzaman highlighted the performance of Malaysia's wood and wood-based product exports which had increased by 21.7% in the third quarter of 2022 compared to last year. From the total export amount, biocomposite products such as fibreboard, particleboard and chipboard contributed an average of RM3.2 billion. He noted that further exploration into the development of value-added products is needed to enhance the market outlook as well as to expand the global market through collaborations with industries, government sectors, research institutes and universities. These initiatives have been outlined in the National Timber Industry Strategic Plan (NTISP) 2021-2025, especially the R&D&C&I activities that need to be intensified to drive the national timber industry forward.



Three papers were presented during the event. The first paper was presented by Dato' Lai Yeng Fock from Tadom Eco Living Sdn. Bhd.. He spoke on bamboo application in eco-tourism as well as the direction of the business in the future, sharing experience gained over almost a decade in managing a bamboo resort. The next paper entitled "Are We Sitting Ourselves to Death?" was delivered by Cik Zamzarina Ahmad from FIDEC, MTIB. The paper emphasised the importance of ergonomics in furniture design to both school and occupational health. She also explained the furniture testing services available in FIDEC. The third paper, entitled "Study on Timber Usage in Construction" was presented by Encik Mohd Hilmi Shamsuri from Industrial Development Division, MTIB. The paper focused on the factors that influence timber usage in the local construction industry as well as issues and challenges faced by the industry.

The programme also included an exhibition of biocomposite products from MTIB and UiTM as well as local bamboo fibre products. More than 50 participants consisting of representatives of the timber industry, government agencies, local authorities and IPTA, attended this programme.

INDONESIA

WOOD PRODUCTS EXPORTS RISE

Indonesia's export of wood products continues to rise even though demand in China has weakened. However, a global recession would seriously impact export growth. Data from the Ministry of Environment and Forestry (KLHK) analyzed by the Association of Indonesian Forest Concession Holders (APHI) shows that Indonesia's wood product exports up to September earned USD 11.07 billion, a year on year rise of 13%.

Most of the growth came from an increase in exports of paper products (USD 3.15 billion), wood panels (USD 2.63 billion), pulp (USD 2.52 billion) and furniture (USD 2.15 billion). Indonesia's timber export trade depends on four main markets: Japan, the European Union+UK, the US and the Republic of Korea. A market that has recently been developed is India.

The growth in exports to India is promising and for the year to September, there was a 35% year on year expansion. September's exports to China were recorded at USD 2.36 billion, a 21% decline from the same period in 2021.

Indonesia's wood product exports to Japan in the first three quarters of 2022 increased by 15% year on year to USD 1.14 billion. Exports to the EU+UK rose 54% year on year to USD 1.3 billion and exports to the Republic of Korea increased slightly to USD 585 million.

Throughout this year the export growth in the US market had increased steadily but in September there was a downturn as wood product exports dipped 19% to USD 1.77 billion. The decline in exports to the US was because of a drop in furniture exports which fell 40% from USD 1.41 billion in January to September 2021 to USD 849.3 million in January to September 2022.

www.fordaq.com, 01 November 2022

Viet Namese wood and wood product (W&WP) exports in September 2022 reached USD 1.41 billion, down 21% compared to August 2022 but up 56.5% compared to September 2021. WP exports, in particular, valued at USD 734.8 million were down 17% compared to August 2022 but up 71.5% compared to September 2021.

Over the first 9 months of 2022 W&WP exports amounted to USD 12.3 billion, up 10.2% over the same period in 2021. Of the total, WP exports were USD 8.6 billion, up 1.5% over the same period in 2021.

WP exports to Japan in September 2022 totalled at USD 159.2 million, up 55% compared to September 2021. Over the same period W&WP exports to Japan totalled at USD 1.39 billion, up 34.4% year on year.

The exports of wood pellets in September 2022 were valued at USD 52 million, up 91% compared to September 2021. The accumulated exports of wood pellets over the first 9 months of 2022 soared to USD 530.7 million, a year on year up of 76%. In contrast to the slow growth of the total W&WP exports, the exports of wood pellets have been experiencing quite a high growth rate.

The imports of padouk in September 2022 totalled at 21,300 cubic metres, worth USD 8.9 million, down 8.3% in volume and 8.7% in value compared to August 2022. Compared to September 2021, imports increased by 69% in volume and 23.5% in value.

In the first 9 months of 2022, padouk imports reached 131,400 cubic metres, worth USD 56.2 million, down 1.1% in volume and 5.2% in value over the same period in 2021.

Imports of log and sawnwood from Africa in August 2022 were the highest, reaching 157,000 cubic metres, at a value of USD 61.28 million, up 69% in volume and 87% in value compared to July 2022 and up 77% in volume and 86% in value compared to August 2021.

In the first 8 months of 2022, imports of logs and sawnwood from Africa reached 822,580 cubic metres at a value of USD 307.44 million, up 19.4% in volume and 22.4% in value over the same period in 2021.

www.fordaq.com, 02 November 2022

VIET NAM

WOOD PRODUCT EXPORTS DOWN SHARPLY

CHINA

SLIGHT RISE IN BIRCH LOG AND SAWNWOOD IMPORTS

China Customs has reported that between 2017 to 2021 birch logs imports rose slightly from 1.92 million cubic metres to 1.94 million cubic metres and that birch sawnwood imports grew by 2% from 630,000 cubic metres to 640,000 cubic metres after declining in 2019 and 2020. Russia was the largest supplier of birch logs and sawnwood imports in 2021.

In the first eight months of 2022 China's birch log imports were 1.44 million cubic metres maintaining at around the same level as in 2021. Imports from Russia were down just 1%. However, 12% of China's birch log imports came from Latvia and were up 16% to 180,000 cubic metres, while, China's birch sawnwood imports were 432,024 cubic metres, up 11% over the same period of 2021.

China's birch sawnwood exports totalled at just 4,594 cubic metres in 2017 and 3,983 cubic metres in 2018. China exported birch mainly to Japan, South Korea, Canada and USA before 2018. Due to big increases in labour costs in China, many companies relocated to Viet Nam and these factories, in turn, import a large amount of timber from China, especially sawnwood.

China's birch sawnwood exports rose 121% to 25,000 cubic metres in 2020 and by 53% to 38,000 cubic metres in 2021. Viet Nam became the largest destination country for China's birch sawnwood exports from 2019.

Although China's exports of birch sawnwood to Viet Nam have increased, the volume is small compared to China's birch log imports. Most of the imported birch is consumed in the domestic market.

www.fordaq.com, 04 November 2022

EXPORTS OF FOREST INDUSTRY PRODUCTS DOWN 6%

In January to August, Finland's wood imports totalled at 3.50 million cubic meters and decreased by 59% from same period previous year. Of imported wood 52% was pulpwood, 32% chips and 2% logs. Compared to the same period in the previous year, the imports of pulpwood decreased by 63%. The imports of chips decreased by 60% and logs 70%, according to the data of the Finnish Natural Forest Institute (Luke).

Of imported wood in January to August, 43% originated from Russia, 22% from Estonia and 17% from Latvia.

In January to August, the export value of Finland's forest industry products totalled in real terms at EUR 10.02 billion and decreased from the previous year by 6% (deflated using wholesale price index). The export value of forest industries was EUR 1.33 billion in August 2022 and it decreased in real terms by 1% compared to July in the previous year.

At the same time, the export value of Finland's wood-product industries was EUR 3.097 billion and it increased by 4% in real terms compared to the previous year. The export value of sawn goods decreased by 1% and its volume by 6%. For plywood the export value increased by 6% and its volume decreased by 4%.

The real export value of the pulp and paper industry was EUR 6.93 billion and it decreased by 10% compared to the previous year. At the same time, the export value of bleached sulphate pulp decreased by 10% and its volume decreased by 14%. The export value of magazine paper decreased by 17% and its volume by 31%. For fine paper the export value decreased by 41% and its volume decreased 53%. The export value of paperboard increased by 7% and its volume 3%.

www.fordaq.com, 07 November 2022

TROPICAL WOOD PRODUCT IMPORTS FELL SHARPLY

The import value of tropical wood and wood furniture into the UK in the opening eight months of this year was USD 1.06 billion, 21% more than the same period last year.

Following the strongest start to the year in terms of UK import value since before the 2008 financial crises, imports fell sharply during July and August. The trend looks different in quantity terms.

The import quantity of tropical wood and wood furniture into the UK in the opening eight months of this year was 337,000 tonnes, just 3% more than the same period last year and not out of line with previous years during the last decade.

This shows that price inflation was the major factor behind the rise in UK import value in the first half of this year, driven both by historically high material and freight prices and the extreme weakness of sterling against the US dollar.

The decline in UK tropical wood product imports over the summer months was particularly dramatic in quantity terms, with imports of only 32,000 tonnes in August being the third lowest monthly total since August 2016. During this six year period, monthly imports were only previously below the August 2022 level in May and June 2020 during the first COVID lockdown.

www.fordaq.com, 02 November 2022

WOOD PRODUCTS MARKET EXPECTED TO RISE BY 2026

The North American wood products market is forecast to reach USD 243.9 billion in 2026, witnessing growth at a CAGR of 6.75%, over the period 2022 to 2026.

Factors such as a growing population, escalating new residential construction, high availability of forest reserves, surging demand for wooden furniture in offices, and a rising inclination of the population towards home repair and remodelling would drive the growth of the market.

However, the growth would be challenged by price fluctuations in North American softwood lumber and the rising availability of alternatives for wood products. A few notable trends include an accelerating preference for engineered wood, an upsurge in housing starts, growing investments in the development and renovation of the tourism infrastructure and an upswing in wood product manufacturing.

The fastest growing market in the region is the U.S. due to the rising inclination of the population towards home repair and remodelling, rebounds in new residential construction, high presence of forest reserves in the region, increasing disposable income and upswing in wood product manufacturing on account of aesthetically pleasing properties of wood, and the perception of wood as an environmentally friendly material.

www.globalwoodmarketsinfo.com, 10 November 2022

HOUSING STARTS SLIDE MORE THAN EXPECTED

New home construction slumped to a 19-month low in September as housing starts dropped 8% from August to a seasonally adjusted annual rate of 1.564 million according to the Department of Housing and Urban Development.

On a year-on-year basis, September's annual housing start rate was down 7.7%. These declines came after a strong 12% month-on-month increase in August.

The yearly decreased pace in homebuilding was mostly attributable to a large decline in the single-family sector which posted an 18.5% yearly decrease compared to a 16.5% annual increase in the multifamily sector. Month-on- month, both sectors were down with single family dropping 3% and multifamily falling 13%.

Regionally, housing starts were down month-on-month in the Northeast (-12.5%), Midwest (-2.7%) and South (- 13.7%), but they were up 4.5% in the West. On a yearly basis, housing starts were down in the Midwest (-10.8%), South (-8.8%) and West (-11.2%), but up 15.7% in the Northeast.

As house prices rise developers are constructing more multifamily units which tend to cost less than single family houses. It appears this trend may continue as multifamily building permits were issued at a seasonally adjusted annual rate of 644,000, up 8% month-on-month and 25.5% year- on-year while, single-family building permits were down 3% from August and down 17% from a year ago.

The declines should come as no surprise as homebuilder confidence declined for the 10th consecutive month in October reaching its lowest level since August 2012, excluding in the spring of 2020.

Despite decreases in housing starts and permits some market observers still feel there are reasons to remain optimistic. As the number of starts and permits decreases builders have more time and manpower to devote to existing projects driving the number of housing completions up. Overall, completions were up 6% from August and 16% year- on-year to a seasonally adjusted annual rate of 1.427 million.

There are currently 910,000 multifamily units under construction, the highest level since the mid-1970s according to the Census Bureau.

Canada's annual rate of housing starts jumped 11% to 299,589 units in September from 267,443 units in August reaching its highest monthly level since November 2021. Data from the Canada Mortgage and Housing Corporation showed the rate of urban starts increased 12% to 276,142 units in the month while multi-unit urban starts surged 16% to 216,549 units.

The pace of urban starts of single-detached homes remained flat at 59,593 units. The gain was mostly due to recorded large increases in multi-unit starts on a seasonally adjusted annual rate basis in the major cities of Montreal, Toronto and Vancouver.

www.fordaq.com, 11 November 2022

BRAZIL

WOOD PRODUCT EXPORTS DECLINED

In September 2022, Brazilian exports of wood products (except pulp and paper) declined 11% in value from USD 382.0 million to USD 341.6 million, compared to September 2021.

Pine sawnwood exports dropped 15% in value compared to September 2021 (USD 82.2 million) and September 2022 (USD 69.7 million).

In terms of volume, exports also dropped by 17% over the same period, from 293,100 cubic metres to 242,300 cubic metres.

Tropical sawnwood exports declined 14% in volume, from 35,900 cubic metres in September 2021 to 30,800 cubic metres in September 2022. In value, exports grew 21% from USD 12.2 million to USD 14.8 million over the same period. Pine plywood exports witnessed a 48% decrease in value in September 2022 compared to September 2021 from USD 79.4 million to USD 41.7 million. In terms of volume, exports also decreased but only by 28% over the same period, from 159,100 cubic metres to 114,100 cubic metres. As for tropical plywood, exports dropped in volume by a massive 63% and in value by 56%, from 9,000 cubic metres and USD 5.2 million in September 2021 to 2,300 cubic metres and USD 3.3 million in September 2022.

As for wooden furniture, the exported value fell from USD 71.8 million in September 2021 to USD 53.8 million in September 2022, a 25% decline.

www.fordaq.com, 03 November 2022

GLOBAL

TRADE OF SOFTWOOD LUMBER DOWN 10%

Global trade of softwood lumber fell about 10% in the first half of 2022 compared to the same period in 2021. Most of the decline was driven by lower lumber demand in China, the US, and Germany. The slowdown in lumber consumption worldwide came at an opportune time since European countries, North America, and Asia boycotted Russian forest products after the country invaded Ukraine. As a result, Russia's lumber exports fell by over 30% year on year during the first six months of 2022 and are expected to fall further in the year's second half, according to Wood Resource Quarterly.

A weakening in wood demand and sharply falling lumber prices reduced operating rates throughout North America during the spring and summer months. The most significant declines in production were seen in British Columbia and Western US.

Average prices for southern yellow pine and spruce-pine-fir in western and eastern Canada fell by about 50% from March to July 2022. Despite the recent price plunge, it is essential to note that the current price levels are close to their five year averages and 15% to 30% higher than the average prices over the past ten years.

Russia's invasion of Ukraine and the boycott of Russian forest products created much uncertainty in the European lumber market. Many expected that lumber flows from the east into Europe would halt reasonably quickly. As a response, buyers started to build inventories with the expectation that supply would get tighter in the year's second half, according to Wood Resource Quarterly. However, this short-term demand upswing promptly faded, and lumber prices softened in early summer.

Lumber exports from the Nordic countries fell about 5% year on year during the first five months of 2022. In addition, shipments to China took a big hit, with about 30% less imported in the second quarter 2022 than in the first quarter 2022. As a result, volumes in the second quarter 2022 were close to being the lowest in seven years.

In 2019, China was the world's largest importer of softwood lumber, importing just over 27 million cubic metres. However, in the following two years, import volumes fell 44%, and imports in 2022 are on pace to reach their lowest levels in ten years as demand has fallen in the construction sector. The lumber volume from Russia declined the most from 2021 to 2022, but Ukraine, Canada, and Chile are the countries that lost the most significant amounts in market shares.

Average import values have remained relatively stable in 2022, with the second quarter 2022 lumber prices averaging USD 260 per cubic metres, up from USD 255 per cubic metres in the previous quarter. It is important to note that, in the past, Russian lumber prices in China were typically lower than those of Canada and the Nordic Countries - in 2022, they have been practically the same.

Japan decreased the importation of lumber from 6.1 million cubic metres in 2017 to an estimated 4.7 million cubic metres in 2021. The importation of sawlogs for domestic sawmills has also declined over the same period, with local logs being used increasingly instead. The Japan Lumber Journal reports that the domestic share of total log consumption is now almost 80%.

However, during the first half of 2022, the declining lumber import trend turned around, with volumes increasing 18% year on year. Most of the increase was in shipments from Finland, Sweden, Chile, and Russia, while Canada reduced supply the most because of solid demand and higher prices for lumber in the US.

www.globalwoodmarketsinfo.com, 07 November 2022

OCTOBER 2022

The total export of Malaysian timber and timber products in October 2022 decreased by 5% in value totalled at RM1.9 billion from the previous month while the cumulative exports for the period of January – October 2022 increased by 19% valued at RM21.3 billion over RM17.9 billion in the previous corresponding period. According to Global Wood Market Info, the World Bank forecasts that global timber demand will quadruple by 2050, driven by economic and population growth. Gresham House, the London-based specialist alternative asset manager, has a lower estimate but is still forecasting that global timber consumption will surge by 170% over the next 30 years, driven by urbanization, decarbonization and housing demand. It forecasts timber consumption will increase by 3.1% a year over the next 30 years up to 2050, up from 1.1% a year during the past 20 years. The vast majority of global commercial timber supply is sourced from temperate forests in the northern hemisphere (Canada, the US, northern Europe and Russia) and plantations in Oceania (New Zealand and Australia). These climates are conducive to the growing of softwood timber. However, the increase in urban dwellers is concentrated in regions with insufficient resources of mature timber. Consumers from China, India, Indonesia, Asia and Africa are driving increased demand from the traditional sources of supply.

SAWNTIMBER

The total export of sawntimber in October 2022 increased by 8% in volume and 7% in value to 102,863 m³ totaling RM232.1 million as compared to the previous month. Cumulative exports for the period of January-October 2022 increased by 1% in volume and 16% in value to 1,006,538 m³ totaling RM2.3 billion over the previous corresponding period.

Exports to the EU for the month were recorded at 2,792 m³, a decrease of 35% as compared to the previous month. The Netherlands as the main buyer reduced its intake by 45% to 1,113 m³ from 2,019 m³ in the previous month. Imports from France increased by 6% to 493 m³ whilst exports to Germany decreased by 30% to 390 m³ from 554 m³ recorded in the previous month. Meanwhile, in another Europe country, exports to the UK decreased by 11% to 837 m³ from 937 m³ in the previous month.

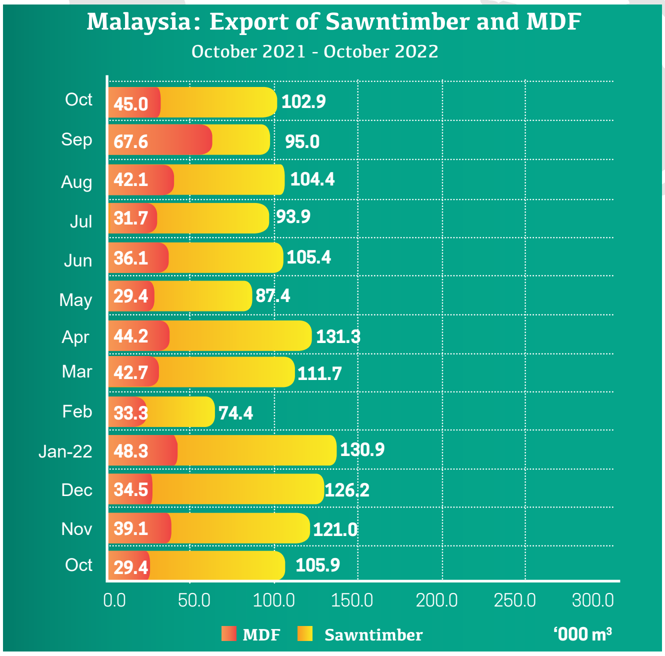
Total export to the South Asia region increased by 9% to 11,908 m³ from 10,980 m³ as recorded in the previous month. India as the main buyer from South Asia increased buying by 5% to 8,161 m³ followed by Maldives and Pakistan which increased buying by 24% to 1,749 m³ and 2% to 1,643 m³ for the month.

Moving to the West Asia region, the total export to the region recorded an increase of 12% to 23,181 m³ from 20,694 m³ in the previous month. The UAE as the largest buyer in the region showed a decrease by 9% to 3,476 m³ from 3,837 m³ in the previous month followed by Yemen with a decrease of 6% to 10,964 m³ from 11,718 m³. Meanwhile, exports to Oman increased significantly to 3,231 m³ from only 810 m³ in the previous month.

Elsewhere, shipments to East Asia increased by 27% to 34,781 m³ from 27,317 m³ in September 2022. China as the main buyer increased purchases by 25% to 21,470 m³ from 17,238 m³ in the previous month. Similarly, exports to Taiwan increased by 81% to 6,776 m³ followed by Japan with an increase of 4% to 4,339 m³ respectively.

Meanwhile, buying from ASEAN decreased by 2% to 24,661 m³ from 25,155 m³ as registered in the previous month. Thailand as the main buyer in ASEAN increased its intake by 17% to 11,403 m³ from 9,767 m³ as recorded in the previous month. Meanwhile, exports of sawntimber to the Singapore and the Philippines fell by 15% to 5,593 m³ and 16% to 6,515 m³.

Moving to the African region, exports decreased by 20% to 1,807 m³ compared from 2,265 m³ in the previous month. Demand from South Africa fell by 23% to 1,363 m³ from 1,776 m³ recorded last month. Meanwhile, exports to Mauritius decreased slightly to 368 m³ followed whilst Algeria resumed buying with 47 m³ for the month.



Exports to North America decreased by 19% to 1,753 m³ from 2,159 m³ in the previous month. The USA as a major buyer from North America decreased its intake by 14% to 1,632 m³ followed by Canada with a decrease of 57% to 121 m³ from 281 m³ last month. In the Oceania and Pacific region, exports to Australia decreased by 8% to 1,017 m³ from 1,111 m³ in the previous month.

The average FOB price of sawntimber reduced by 2% to 2,257 per m³ from 2,292 per m³ in the previous month. The price of Dark Red Meranti to the Netherlands increased by 0.3% to 4,413 per m³ from 4,398 per m³ previously. Keruing was traded at 3,132 per m³, a decrease of 10% from 3,476 per m³ in the previous month.

The ban on the supply of the Russian forestry industry complex was introduced in the framework of the EU's fifth sanctions package. The Russian forestry industrial complex had already been oriented towards a friendly market and, where restrictions appeared, it had already been partially realigned.

70% of shipments in the first half of the year involved friendly Asian countries, especially China and Uzbekistan which increased their timber purchases by almost 13%. The other 30% was sent to EU countries, Singapore, Japan, South Korea and the US which increased their purchases by 4%. Since the outbreak of the Russian-Ukrainian war, Russian timber suppliers have had to divert from Europe about 20% of exports to new markets. Flows to the Middle East, Southeast Asia, Africa, Latin America have increased.

PLYWOOD

Exports of plywood in October 2022 recorded a decrease by 39% in volume at 62,591 m³ and 35% in value at RM177.6 million as compared to the previous month. Cumulative exports for the period of October 2022 decreased by 13% in volume but increased 12% in value to 1,061,430 m³ totalling at RM2.8 billion over the previous corresponding period.

The EU union region recorded an increase of 58% for plywood exports from 228 m³ to 359 m³. Malta has resumed its buying to 43 m³. Meanwhile, Belgium has added up the import by 39% to 316 m³ from 228 m³.

Moving to the East Asia market, exports dropped by 29% to 44,772 m³ from 62,898 m³ in the previous month. Japan as the biggest buyer decreased import performance by 33% to 33,742 m³. This is followed by Republic of Korea and Taiwan with a decrease of 11% and 8% to 4,973 m³ and 4,804 m³ each. In South Asia, the exports of plywood also recorded a decrease of 15% from 1,916 m³ to 1,625 m³. India has reduced buying by 13% to 1,622 m³. Likewise, Maldives reduced its buying by 95% to 3 m³.

Elsewhere, the West Asia region recorded a collapse of plywood imports by 69% from 23,294 m³ in the previous month to 7,141 m³. Yemen decreased its buying by 73% to 6,093 m³. However, Oman and Saudi Arabia improved their imports by 41% and 237% to 569 m³ and 478 m³ respectively. Plywood exports to the ASEAN region decreased by 37% to 2,731 m³ from 4,301m³ in September 2022. The Philippines increased imports by 94% to 397 m³, followed by Singapore with a slight increase of 0.1% to 1,374 m³. Sales to Thailand plummeted by 72% to 665 m³.

Plywood purchases in the Oceania and Pacific region decreased by 10% to 1,905 m³ from 2,106 m³. Australia and New Zealand recorded a drop by 8% and 1% to 1,884 m³ and 20 m³ in the previous month. North America regions have also decreased imports of plywood by 69% from 7,875 m³ to 2,440 m³. The US as the main buyer has significantly reduced purchases by 66% to 1,493 m³. This is followed by Mexico and Canada with decreases by 73% and 81% to 908 m³ and 39 m³ each. Meanwhile, South Africa has resumed its buying purchase to 43 m³.

The FOB price of plywood for October 2022 is at RM2,837 per m³, an increase of 7% from RM2,664 per m³ from the previous month.

With the housing market in a recession, plywood buyers have been practicing restraint with their purchases as they try to evaluate the direction and extent of upcoming demand. As October is typically the start of the fall building season is the US, most are anticipating a pop in business and for prices to moderately climb. The interest rates have increased and inflation is forcing budget-conscious consumers to think twice on major expenditures, so prices are mattering much more. On the global scale, putting home builders in this position makes matters worse, either way due to its over-inflating the cost of building a home.

VENEER

Export of veneer for October 2022 shows an increased both in volumes by 3% to 5,892 m³ and in value by 26% to RM13.5 million as compared to the previous month. The cumulative export for October 2022 however showed a decrease in volume by 10% to 40,400 m³ but increased in value by 14% to RM84.4 million over the previous corresponding period.

In East Asia, the veneer purchase decreased by 4% to

4,602 m³ from 4,770m³ in the previous month. Republic of Korea and Japan increased their veneer buying by 29% and 563% to 3,204 m³ and 510 m³ each. However, Taiwan import dropped by 19% from 952 m³ to 770 m³. For ASEAN region, the export recorded a tremendous climb by 322% to 2,298 m³ from 545 m³. The Philippines and Singapore have added up the import by 56% and 57% to 845 m³ and 6 m³ respectively. Meanwhile, South Asia region showed a decrease by 9% to 224 m³ from 245 m³. Bangladesh improved by 96% to 58 m³ but India dropped the buying by 23% to 166 m³.

Export veneer to Australia increased by 83% to 93 m³ from 51 m³. Nevertheless, North America regions showed an increase by 76% to 121 m³ from 69 m³. Canada and US have picked up their buying by 75% and 77% at 63 m³ and 58 m³ respectively.

The average FOB price for veneer increased by 22% from RM1,887 per m³ to RM2,298 per m³ as compared to previous month.

The US hardwood industry posted its first year of revenue gains since 2016, buoyed by elevated housing and remodel markets. Gains were driven by product enhancements that drew attention to price increasing by 16%. In 2022, labour remains one of the major issues in the US in general, and from sawmills to wood flooring mills to trucking-despite wage increases and added benefits, it is still causing a huge bottleneck in the production and delivery of wooden flooring. With oceanic shipping delays, port slowdowns and container costs are interrelated and have impacted the domestic flooring market since 52% of the flooring consumed in the US is imported.

MEDIUM DENSITY FIBREBOARD (MDF)

Exports of MDF in October 2022 recorded a 33% decrease in volume at 44,983 m³ but an increase of 5% in value at RM85.0 million compared to the previous month. The cumulative exports for the period of October 2022 showed an increase in both volume and value at 16% and 38% to 396,128 m³ with a total of RM776.8 million as compared to the corresponding period in 2021.

Exports to ASEAN decreased by 13% to 5,910 m³ from 6,759 m³ in the previous month. The Philippines, Indonesia and Viet Nam recorded a drop of 4%, 30% and 1% to 3,211 m³, 1,678 m³ and 554 m³ each respectively. Elsewhere, East Asia also showed a decrease by 62% from 41,515 m³ to 15,959 m³ in the previous month. Exports to Japan and Taiwan decreased by 62% and 52% to 15,291 m³ and 442 m³ respectively. However, Hong Kong recorded an incredible increase of veneer purchase by 329% to 124 m³ from 29 m³.

Moving to the South Asia market, exports increased by 19% to 8,595 m³ from 7,239 m³. Export performance by India and Pakistan improved by 26% and 125% to 5,458 m³ and 2,434 m³ each. However, shipping to Bangladesh declined by 68% to 333 m³.

Meanwhile, exports to the West Asia region reported a growth of 40% from 7,893 m³ to 11,033 m³ compared to the previous month. The UAE and Oman increased their purchases by 100% and 14% to 6,298 m³ and 1,029 m³ each. Yemen decreased buying by 37% from 3,148 m³ to 1,446 m³.

Exports to the Oceania and Pacific region decreased by 30% to 1,417 m³ from 2,034 m³. Australia and New Zealand recorded a drop of 30% and 46% to 1,384 m³ and 33 m³ each. In the UK, MDF buying shot up by 180% to 59 m³. France resumed its MDF purchase to 2 m³. In the North America region, sales decreased by 8% to 1,925 m³ from 2,081 m³. Canada and Mexico increased their buying performance by 242% and 35% to 523 m³ and 363 m³ respectively. However, the US recorded a decrease of 37% to 1,039 m³. South Africa recorded an increase of by 24% to 62 m³ while Nigeria resumed it's buying to 21 m³.

The FOB price of MDF increased by 58% to RM1,889 per m³ from RM1,199 per m³ in the previous month.

Prices for MDF in the US continue to shoot up amid a shortage of the product and the high demand from the furniture industry. Other factors that led to the jump in prices included the high cost of woody materials and resins for manufacturing MDF as well as increasing container freight rates. High prices for MDF negatively affected furniture sales, which had been decreasing in recent months due to a slowdown in the construction boom noted at the first half of the year. The fall in demand for furniture, coupled with the beginning of a decline in the cost of wood raw materials should lead to a decrease in the prices for MDF in the coming months.

Malaysia: Export of Plywood, Mouldings and Chipboard

October 2021 - October 2022

MOULDINGS

Exports of mouldings for the month increased by 26% in volume and 5% in value to 20,861 m³ worth at RM84.6 million. However, cumulative exports for the period of October 2022 increased by 10% in volume and 31% in value to 167,721 m³ worth RM786.6 million as compared to the previous corresponding period in 2021.

Exports to the EU for the month were recorded at 7,503 m³, increased by 18% as compared to the previous month. Germany and the Netherlands increased their purchases by 36% and 9% to 1,023 m³ and 4,226 m³ respectively while France decreased its purchases by 5% to 944 m³ respectively. Meanwhile, the UK recorded a decrease of 31% to 264 m³ compared to the previous month while Turkey increased its purchases to 40 m³ for the month.

In Asia, Viet Nam and Singapore increased their purchases by 199% and 36% to 726 m³ and 1,706 m³ respectively for the month. Korea and Hong Kong increased their intakes by 59% and 39% to 895 m³ and 151 m³ while Japan decreased its purchases by 19% to 1,299 m³ respectively. Meanwhile, Maldives increased its purchases by 77% to 108 m³ while India decreased intakes by 7% to 186 m³ respectively for the month.

Meanwhile, in the Oceania and Pacific region, exports to Australia decreased by 2% to 2,251 m³ while New Zealand and Guam resumed purchases to 15 m³ and 22 m³ respectively for the month. Similarly, in the American region, exports to the US and Canada increased by 100% and 61% to 4,742 m³ and 125 m³ respectively while Mexico resumed intake to 122 for the month.

Elsewhere, exports to African region, Mauritius increased purchases by 139% to 499 m³ while South Africa decrease intake by 64% to 55 m3 and 155 m³ for the month.

Average FOB unit value for mouldings decreased marginally to RM4,057 per m³ compared to RM4,859 per m³ in the previous month.

The global construction market is forecast to grow to USD251.4 billion by growing at a compound annual growth rate (CAGR) of 5.1% during the forecast period from 2022 to 2030. The global construction equipment market is forecast to gain traction due to the growing number of construction activities. In addition, increasing industrialisation and urbanisation will bring lucrative opportunities for market growth. Furthermore, growing disposable income and employment rate will also contribute to the growth of the global construction market in the future.

BUILDERS JOINERY AND CARPENTRY (BJC)

Exports of BJC for October 2022 recorded a decrease of 10% in both volume and value to 10,833,202 kg worth RM106.1 million from last month. Total BJC cumulative exports for the same corresponding period last year increased by 52% to RM1.2 billion as compared to RM770.1 million last month.

Exports to the EU increased by 60% to RM211.0 million compared to RM132.3 million in the previous corresponding period. Exports to Germany, Belgium and the Netherlands increased by 171%, 43% and 21% to RM29.9 million, RM54.6 million and RM25.6 million respectively. Meanwhile, exports to Turkey and Norway also increased by 135% and 97% to RM1.8 million and RM34.7 million respectively while the UK decreased its intake by 3% to RM91.3 million for the month.

In Asia, exports to Singapore and Viet Nam recorded an increase of 102% and 48% to RM69.4 million and RM15.8 million respectively while Thailand decreased its intake by 24% to RM9.9 million for the month. Exports to China and Japan increased by 84% and 27% to RM22.1 million and RM47.5 million respectively while Taiwan decreased intake by 8% to RM7.8 million for the month. Nevertheless, exports to India, Maldives and Pakistan increased by 36%, 14% and 9% to RM33.0 million, RM3.2 million and RM2.2 million respectively. Meanwhile, Qatar, the UAE and Kuwait decreased buying by 68% 31% and 1% to RM340,939, RM1.0 million and RM476,689 respectively for the month.

In the Oceania and Pacific region, exports to New Zealand, Australia and Western Samoa increased by 91%, 67% and 38% to RM26.9 million, RM213.4 million and RM649,116 respectively. However, in the American region, Uruguay, the US and Canada increased their intakes by 106%, 60% and 56% to RM1.2 million, RM328.4 million and RM1.0 million respectively. However, Mexico resumed its intake to RM12.9 million for the month.

Elsewhere, exports to the African region, Seychelles, Egypt and South Africa increased their intakes by 106%, 27% and 11% to RM1.5 million, RM1.1 million and RM7.0 million respectively.

The revenue of the global construction industry is expected to grow steadily over the next years. Growing initiatives from government bodies to establish smart city infrastructure is forecast to offer ample growth opportunities for the global construction equipment market, mainly in emerging nations. The rising demand for high altitudes and heavy lifting cranes for a growing number of construction projects are forecast to fuel the growth of the overall market. Additionally, technological advancements and growing automation will benefit the market in the coming years.

FURNITURE

Exports of wooden furniture for the month of October 2022 dropped by 7% to RM815.8 million, while rattan furniture export decreased by 24% to RM6.0 million from the previous month. Meanwhile, the export of wooden furniture for the cumulative period of January to October 2022 recorded an export value worth RM9.6 billion, an increase of 17% from its corresponding period in 2021. Meanwhile, demand for rattan furniture increased by 36% year-on-year to RM80.7 million from RM59.5 million over its corresponding period in 2021.

Exports of wooden furniture to ASEAN expanded by 70% worth RM913.5 million from RM538.3 million in its corresponding period in 2021. Singapore was recorded as the highest buyer with RM481.1 million, an increase of 47%. This was followed by the Philippines whose buying rose significantly by 155% to RM211.7 million and Indonesia, with an increase of 67% to RM79.5 million.

Moving to the East Asian region, exports rose by 17% to RM690.9 million from RM588.5 million year-on-year in 2021. Japan remained the highest buyer with an export value of RM496.5 million, an increase of 21%. This is followed by Taiwan with an increase of 75% to RM80.2 million. However, exports to China decreased by 23% to RM49.8 million over its corresponding period in 2021.

Exports to West Asia rose by 20% to RM365.3 million from RM304.1 million in its corresponding period in 2021. Exports to the UAE, the largest buyer in the region, increased by 49% to RM165.6 million, followed by Saudi Arabia, with an export increase of 3% to RM123.7 million. However, Kuwait reduced its buying by 4% to RM31.0 million for the month.

Meanwhile, the South Asian region recorded an increase of 53% in wooden furniture intake to RM196.1 million, for the month. Amongst South Asian countries, India recorded the highest intake with an export value of RM186.1 million, increased by 53%. Similarly, exports to Maldives and Bangladesh improved by 40% to RM7.5 million and 155% to RM1.7 million respectively.

Exports to the Central Asia region dropped by 27% to RM3.8 million with exports to Kazakhstan reduced by 28% worth RM3.4 million. Meanwhile, Armenia resumed its intake at RM176,445, but exports to Uzbekistan decreased by 67% to RM171,290 for the mentioned period.

Exports to the European Union (EU27) recorded an increase of 17% to RM324.2 million from RM277.8 million over its corresponding period in 2021. Germany as the highest buyer in the bloc recorded an increase in buying by 41% to RM51.9 million, followed by France with an increase of 10% to RM38.6 million. Similarly, Denmark recorded an increase of buying by 86% to RM34.6 million.

As for Europe-other countries, exports grew by 3% to RM348.6 million. Exports to the United Kingdom and Turkey both increased by 5% to RM327.0 million and by 40% to RM5.4 million respectively. On the other hand, exports to Russia dipped by 45% to RM5.1 million from RM9.2 million over the same corresponding period in 2021.

Exports to Oceania and Pacific rose by 46% to RM493.6 million from RM338.7 million over its corresponding period in 2021. Australia remained the top buyer in the archipelago region with an export value worth RM430.7 million, an increase of 46%.

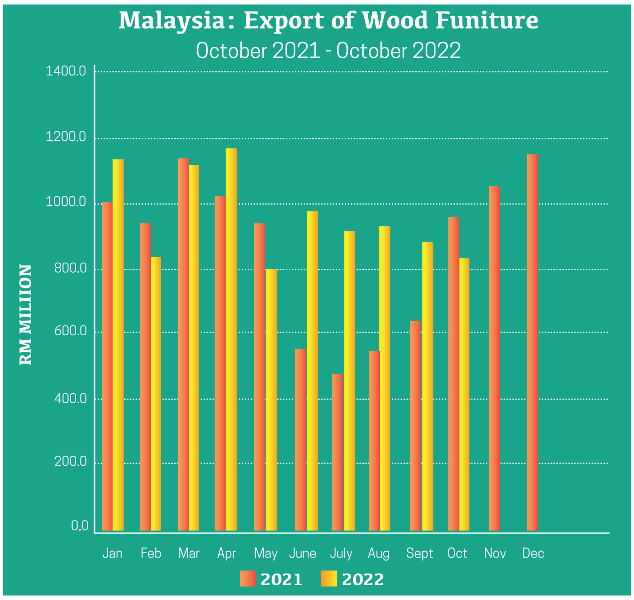
Similarly, both exports to New Zealand and Papua New Guinea climbed 19% to RM37.4 million and 110% to RM8.9 million, respectively.

Moving to the Central America region, exports of wooden furniture decreased by 2% to RM26.2 million over its corresponding period in 2021. Despite the reduced intake in the region, exports to Panama and Costa Rica increased by 16% to RM7.5 million and 47% to RM6.2 million respectively. However, exports to El Salvador decreased by 32% to RM5.7 million for the cumulative period of January - October 2022.

Meanwhile, exports to the North American region rose by 9% to RM5.9 billion with sales to the USA, Malaysia's largest wooden furniture buyer, increased by 7% to RM5.4 billion from RM5.1 billion in its corresponding period in 2021. Similarly, exports to Canada and Puerto Rico improved by 58% to RM298.8 million and 36% to RM77.2 million respectively.

Exports of wooden furniture to the South American region recorded a 19% sale increase worth RM81.2 million from RM68.2 million in its corresponding in 2021. Exports to Chile increased by 28% to RM59.6 million. However, Peru and Colombia reduced their buying by 2% to RM8.9 million and by 16% to RM4.3 million respectively.

Exports to the African region recorded an increase of 45% to RM150.2 million with South Africa garnering the largest market share with RM44.7 million. It is an increase of 35% from its corresponding period in 2021, followed by Kenya, with recorded sales of RM16.5 million, an increase of 62% and Reunion Islands with sales increased by 18% to RM11.0 million for the period of January – October 2022.



Rattan furniture shipment to ASEAN member countries recorded at RM4.5 million, an increase of 63% for the cumulative period of January - October 2022. The highest buyer is the Philippines with recorded sales of RM2.6 million, an increase of 209%. Similarly, exports to Thailand rose by 10% to RM689,166 for the month. However, exports to Singapore decreased by 9% to RM869,369 as compared to the previous corresponding period in 2021.

Likewise, the East Asian region increased its shipments by 44% to RM9.5 million. China as the largest buyer in the region increased its intake by 28% to RM6.2 million. Likewise, Japan and Mongolia also increased their buying by 134% to RM1.8 million and by 104% to RM778,990 respectively.

India as the largest buyer amongst South Asian countries recorded a decrease in intake by 13% to RM3.7 million from RM4.3 million in the corresponding period in 2021. Bangladesh resumed its intake to RM16,447 for the cumulative period of January to October 2022.

Exports to the West Asian region increased by 73% to RM1.1 million from RM615,142 over its corresponding period in 2021. The largest rattan furniture buying nation in the West Asian countries, the UAE, increased its intake by 110% to RM710,043. Similarly, exports to Saudi Arabia and Jordan also improved by 70% to RM219,063 and by 56% to RM93,462 for January – October 2022.

Meanwhile, exports to the European Union recorded an increase of 72% to RM10.3 million with Ireland being the largest buyer amongst EU27 countries. Exports to Ireland rose by 23% to RM2.5 million. Similarly, exports to France boomed by 305% to RM1.6 million from RM383,366 over its corresponding period in 2021. Similarly, demand from Sweden also increased by 106% to RM1.5 million. Moving to Europe-Other countries, demand from the group grew by 13% to RM8.1 million with intake from the United Kingdom increased by 23% to RM5.9 million. Likewise, exports to Russia rose by 2% to RM1.9 million, while Ukraine reduced its buying by 76% to RM122,916 for the month.

Shipment to the Oceania Pacific archipelago increased by 77% to RM8.5 million from RM4.8 million over the same period in 2021. Australia recorded an increase of 97% to RM7.7 million and likewise, exports to Western Samoa increased by 24% to RM94,423. However, exports to New Zealand declined by 13% to RM624,200.

Exports to the North American region increased by 25% to RM32.1 million from RM25.8 million over the same period in 2021. The USA being the largest buyer for rattan furniture recorded an increase of 19% to RM28.3 million, followed by Canada with an increase of 73% to RM2.7 million and Dominican Republic, 281% to RM787,826. Among the South American countries, exports to Chile increased by 75% to RM306,011. Similarly, Uruguay also increased its buying by 566% to RM72,188 while Argentina resumed its intake by RM167,482 for the cumulative period of January to October 2022.

Intake of rattan furniture in the African region increased by 118% to RM2.3 million where the largest buyer, Algeria increased its buying by 237% to RM1.4 million. South Africa also increased its intake by 214% to RM523,666 while Tanzania resumed its buying to RM161,379.

"Furniture Market" Insights 2022 by Market Watch Inc, published in November 2022 reported that due to the COVID-19 pandemic and Russia-Ukraine War Influence, the global market for furniture was estimated at USD 440.4 billion in the year 2022 and projected to reach a revised size of USD 560.47 billion by 2028, growing at a CAGR of 4.1% during the forecast period 2022-2028. The disruptions in the supply chain and the temporary ban on global trade have highly affected the countries with high dependencies on imports for their furniture needs. The pandemic forced around 58% of the world's population to switch to the stay-at-home protocol for a longer time, which motivated customers to optimize their homes and furniture with the increase in the time they spend at home. COVID-19 also heightened the importance of reducing the reliance on imports, along with improving automation and digitalization in the industry.

According to Mordor Intelligence, due to the rising global population and the growing middle class across

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LANGKAWI BAMBOO FESTIVAL 2022

Pertubuhan Amanah Warisan Kedah (PUTRA), in collaboration with the Malaysian Timber Industry Board (MTIB), Kedah State Government and Langkawi Development Authority (LADA) officially organised Langkawi Bamboo Festival 2022 on 25 _ 27 November 2022. The environmental significance of the bamboo industry and the economic potential of bamboo plants were shared through a variety of activities and programmes.

During the festival, MTIB through the Bamboo Community Farming Development Programme, distributed bamboo seedlings, fertiliser and planting advisory incentives to Langkawi Bamboo Shapers, one of the programme participants. Langkawi Bamboo Shapers, located at Jalan Lubuk Semilang, Ulu Melaka, Langkawi, is owned by a Langkawi resident who sees bamboo as a new economic opportunity with high income potential.

The Director General of MTIB, Tuan Hj Kamaruzaman Othman, inaugurated the planting of bamboo on a 3.3-acre site owned by the Langkawi Tourism Academy @Kolej Komuniti Langkawi. Kolej Komuniti Langkawi in collaboration with PUTRA, aims to conduct research on the development of the potential of bamboo, as well as to explore the economic potential of bamboo plants.

Bamboo Workshop –knowledge sharing session

The Langkawi Bamboo Festival 2022 programme included knowledge-sharing workshops led by MTIB with the participation of industry players such as Malaysian Bamboo Society (MBS), Land & General, SEAD, Langkawi International Airport (LIA)@MAHB, Malaysian Research and Agriculture Institute (MARDI) and Bamboo Jungle Adventures. On the second day the Bamboo Hunt was held. This involved various bamboo-themed activities which included planting bamboo seeds. More than 100 participants took part in the event which was officiated by Tuan Haji Zulkifli bin Abdullah, Langkawi's Chief Assistant District Officer (Development). Other activities included the Bamboo Design & Build Competition, Bamboo Musical Night, To'ki Lemang cooking demonstration, and an exhibition of various bamboo-based goods and products. Two events were held prior to the festival namely, Kursus Pandai Buluh 4P and Bamboo Bow Making Workshop. Both were held on 22 – 24 November 2022.

Tuan Haji Kamaruzaman, MTIB Director General and Tuan Haji Zulkifli, Chief Assistant District Office (Development), Langkawi at Bamboo Hunt Flag-off and visiting exhibition booths

Encik Mohd Firdaus Ahmad, Kedah Tourism EXCO, was also on hand to witness the signing of the Memorandum of Understanding between PUTRA and Brogrammer Digital Sdn Bhd, which focuses on generating bamboo-based business online.

Visiting Langkawi Tourism Academy @Kolej Komuniti Langkawi for Community Farming Bamboo Seedling Handover and Planting

Kursus Pandai Buluh 4P at Langkawi Bamboo Shapers - collaboration with Bamboo Community Farming Development Programme, MTIB

Timber Round-UP

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the majority of regions of the world, the demand for home furniture is rising, helping the specific segment of the market to grow further. Coupled with the growing younger population and their unique furniture preferences, the demand for multi-functional furniture that feature maximum storage facility, innovative space-saving designs, and stylish design is driving the furniture market's growth. The key players are focusing on ways to attract more customers by optimising their products according to the tastes and preferences of consumers, which is anticipated to influence home furniture sales during the forecast period. Increasing expenditure on furniture goods among millennials, coupled with the growing brand consciousness among them, is supporting the market to record growing revenues. The significant increase in the number of e-commerce platforms that offer various designs and models of furniture products is accelerating the growth of the market in the developing nations. The omnichannel distribution practices are also helping the key players record more revenues in the market.

Due to significant demand from the younger generation, key players have come up with various offers on their products. The growing demand for do-it-yourself (DIY) furniture products and ready-to-assemble (RTA) is also helping the market grow further, especially in the home and office furniture segments, thus helping the market record more sales across the globe. RTA furniture is becoming increasingly popular among customers owing to the lower costs and compact designs. To cater to the rising demand, vendors are focusing on manufacturing flat-pack furniture for medium-price segments and solid wood furniture targeted at the high-end market. The growing residential and commercial construction across the globe and the increasing number of strategic alliances and partnerships are expected to drive market growth. The Asia-Pacific region, owing to the high population and the growing residential construction, is growing at a fast pace. As the standard of living continues to improve in China, customers have started investing in home decoration and home furniture. Increasing consumer purchasing power has also driven the furniture market to develop in the region. The key players in the furniture market are also launching their exclusive online platforms and some have also entered into partnerships with e-commerce channels to strengthen their distribution networks, which is likely to drive the furniture market growth in the region. With the entry of IKEA into the Indian sub-continent in 2018, the competition became more complex in the country and the region, helping the firm strengthen its global presence.

MALAYSIA

Westports Handled a Container Volume of 7.47 Million Twenty-foot Equivalent Units ("Teus") In The 9-month Of 2022

Westports Holdings Berhad ("Westports" or the "Company") has announced its financial results for the 3rd Quarter of 2022, and the 9-month ended on 30 September 2022. At the top line, the Company reported a total revenue achievement of RM1.55 billion. The container segment contributed 86% to total revenue by handling a throughput volume of 7.47 million TEUs.

The period under review witnessed multiple headwinds, some of which have shown signs of moderating intensity rates as global economies adjust to higher global energy prices, inflation, and interest rates but weaker non-Dollar currencies and economic momentum. Within the container shipping segment, spot freight rates adjusted downward rapidly to lower demand and supply chain constraints eased despite continuing lockdown in China due to the zero-covid policy.

The challenging external economic conditions and container shipping companies' operational adjustments consequently contributed to a reduction in the transhipment containers handled to 4.52 million TEUs. The domestic economy demonstrated relatively better resilience, and export-oriented sectors benefited from increased competitiveness with a weaker local currency. The overall gateway volume increased by 7% to 2.95 million TEUs, with much growth during the 3rd Quarter of 2022. In the conventional segment, the Company moved 8.87 million metric tonnes of cargo, with a notable increase in the break bulk.

The recently completed Liquid Bulk Terminal 5 ("LBT5") jetty has and can accommodate Very Large Gas Carriers ("VLGC"). LBT5 facilitated the discharge and flow of Liquefied Petroleum Gas ("LPG") throughput into the recently built facilities, which would cater to regional customers' requirements. To capture the future growth of non-bunker-fuel and liquid storage requirements, Westports will commence the construction of the Liquid Bulk Terminal 4A ("LBT 4A") in the 4th Quarter of 2022; the newest jetty is to be completed by the end of 2023.

On the Company's profitability, Westports achieved a Profit Before Tax of RM693 million for the 9-month of 2022. The lower profit, despite higher operating revenue, reflected the absence of non-recurrent insurance recoveries and the surge in fuel cost by 81%; Westports purchases diesel at an unsubsidized price. At the bottom line, Westports reported a Profit After Tax of RM465 million, which was lower by 21% as the Company incorporated the one-year prosperity tax in 2022. Hence, the Company's effective tax rate is 33% for the 9-month of 2022.

Datuk Ruben Emir Gnanalingam bin Abdullah ("Datuk Ruben"), the Group Managing Director of Westports, shared that "Despite the current year's challenges, Westports is committed to achieving net-zero carbon emissions by 2050. The Company will focus and rely primarily on emissions intensity reduction and gradual decarbonization of its fleet of terminal operating equipment. Earlier this year, we took delivery of the country's first Kalmar Eco Reachstacker – the new equipment that started paving the way toward reducing our environmental intensity footprint. During the period under review, the Company has just taken the delivery of three new Super Post-Panamax Quay Cranes with a twin-lift capacity of 55 tons. Weighing 1,100 tons each, the new electric-powered cranes replaced the now- dismantled old cranes. They will undoubtedly increase our productivity and efficiency at the terminal, optimizing our ability to provide top-notch service to our customers".

Datuk Ruben assessed and shared his prognosis: "The disruption in the supply chain has eased. However, inflationary pressure, zero-Covid policy in the Far East, energy prices plus economic challenges in Europe and disrupted global wealth effects due to correcting markets are contributing to slower economic activities across many regions. The container throughput momentum in the current year could moderate downwards toward a marginal single-digit decline. However, the local economy is currently relatively less adversely affected. Therefore, Westports will continue to play our role as the leading gateway port for Malaysia and support her economic activities".

Source: *westportsholdings.com, November 4, 2022*

UNITED STATES

Global Shipping Growth At Risk From Economic Gloom, Unctad Says

The pace of global shipping activity is set to lose steam next year as economic turmoil, conflict in Ukraine and the impact of the pandemic weaken the outlook for trade, U.N. agency UNCTAD said on Tuesday.

The world's largest investment banks expect global economic growth to slow further in 2023 following a year roiled by Russia's invasion of Ukraine and soaring inflation. The slowdown is expected to impact shipping, which transports more than 80% of global trade, although tanker freight rates could stay high. In its Review of Maritime Transport for 2022, the United Nations Conference on Trade and Development (UNCTAD) projected global maritime trade growth would moderate to 1.4% this year and stay at that level in 2023. This compares with estimated growth of 3.2% in 2021 and overall shipment volume of 11 billion tonnes, versus a 3.8% decline in 2020.

For the overall 2023-2027 period, growth is predicted at an annual average of 2.1%, a slower rate than the previous three-decade average of 3.3%, UNCTAD said, adding that "downside risks are weighing heavily on this forecast". "The recovery in maritime transport and logistics is now at risk from the war in Ukraine, the continued grip of the pandemic, lingering supply-chain constraints, and China's cooling economy and zero-COVID policy, along with inflationary pressures and the cost-of-living squeeze," UNCTAD said in the report.

A surge in consumer spending in 2021 pushed container shipping markets to record levels with ports backed up around the world, which was also partly due to the effects of lockdowns. UNCTAD said the "logjam in logistics will dissolve with the rebalancing of demand and supply forces", but added the risks of industrial action in ports and hinterland transport had increased. UNCTAD called for investment in maritime supply chains to enable ports, shipping fleets and hinterland connections to be better prepared for future global crises, climate change and the transition to low-carbon energy. "We need to be better prepared to cope with shocks to global value chains," UNCTAD Secretary General Rebeca Grynspan told reporters.

Source: *hellenicshippingnews.com, November 29, 2022*

CHINA

Easing Supply Chain Disruptions Drag Down Shipping Rates

As the immediate aftershocks of the COVID-19 pandemic and the war in Ukraine on global trade gradually subside, signs are growing that the finely tuned system of ocean shipping is getting out of the crisis mode.

The massive disruptions to global supply chains, caused mainly by COVID lockdowns in China and having found a vivid expression in ship backlogs at ports, are showing signs of easing. Seabound shipping is ready to assume its overwhelming importance of carrying 90% of all transportation across the world.

Freight rates drop to pre-pandemic levels

In Germany, the shipping chaos has been brought under control also because of a bargaining deal struck between dock workers and port authorities that ended a disruptive strike this fall. Martin Kröger, chief executive of the German Shipowners' Association (VDR), says the situation has eased "almost back to normal."

"The backlogs of ships along European coasts have been overcome," he told DW, adding that shipping capacity wasn't so tight anymore as at the end of last year. Another piece of good news, he said, was that ocean freight rates are falling significantly. "Shipping conditions are similar to what they were before the pandemic."

German business daily Handelsblatt has published data showing that shipping rates have come down to pre-pandemic levels, with a 20-foot container from China to Northern Europe, for example, now costing $1,479 (€1,420) on average, compared with around $8,000 at the beginning of 2022. Shipping a container from Shanghai to the US West Coast "is even cheaper than in 2019," the newspaper reported.

Supply chain hell

Vincent Stamer from the Kiel Institute for the World Economy explains that a surge in demand and so-called frontloading by importers had led to the previous supply bottlenecks. "During the pandemic, consumers in Europe and North America massively bought consumer electronics devices, furniture and sports apparel, causing importers to hastily fill their inventories to meet the demand," he told DW. However, the boom is now subsiding and demand for such goods is dropping, he added.

With the US hovering on the brink of a recession, and growth in Europe already falling off the cliff, the prospects for further economic expansion are indeed dramatically reversing. "Fears of rising inflation and an economic downturn are weighing on the demand for goods," Stamer said, driving down the "need for shipping space and the level of freight rates" at the same time.

Good news for inflation-plagued consumers?

Stamer also thinks the fall in global shipping rates will trickle down to consumer prices as goods manufacturers previously had to spend "a tenth of each dollar earned" on transportation and logistics. "Therefore, an easing of freight rates will lower the costs for companies and, finally, also consumer prices."

But Martin Kröger disagrees, saying shipping costs make up only a "very tiny amount" of the shelve prices to be paid by consumers. He even thinks that freight rates are not going to fall any further, as additional expenditures for shippers caused, for example, by higher environmental standards would cost "a lot of money."

"Stringent new CO2 regulation imposed by the EU and aimed at gradually introducing less polluting fuels in shipping will increase our costs because they are much more expensive than the conventional fossil fuels we currently use," he said.

Cost wave building

Kröger expects the new environmental standards on fuels to hit global shipping rates "as early as next year." Industry pundits are expecting "an elevated demand for tonnage," he said, as companies would "lower the speed of their ships to bring down their emissions."

For the medium term, industry representatives like the German VDR expect a change in shipping companies' investment policies, including ordering smaller ships with less tonnage to meet emissions targets. All of this would drive up shipping rates, Kröger says.

Transportation 'pork cycle'

In economics, the term "pork cycle" describes the phenomenon of cyclical fluctuations of supply and prices in livestock markets. It was first observed in 1925 in pig markets in the US when prices were high enticing pork breeders to boost their investments. Eventually, the market became saturated, leading to a decline in prices. Production is thus decreased and again prices increase. Kiel institute's Stamer is convinced that shipping companies are now seeing "the beginning of a pork cycle" in which nobody can currently say exactly when demand for tonnage will match supply.

The VDR industry group sees German shipowners "on the right way" with their strategy to upgrade their ships to the newest environmental standards. But Stamer has his doubts and points to some dangerous pitfalls for the industry. New investment in less polluting ships would "increase transport capacity thus exerting downward pressure on freight rates," he said. As a result, German shippers "cannot expect the huge profits of the past to continue into the future." While the jury is still out on the industry's future investment in capacity, VDR is hoping for the good times to last a little longer, even though the exorbitant margins of the past year are definitely over, it admits. Making a good profit though is "essential," VDR's Kröger said, for the industry to be able to "afford all the required climate-saving technologies needed to meet the emission reduction targets.

Source: *hellenicshippingnews.com, November 28, 2022*

**Shipments of Timber and Timber Products
Through Ports in Peninsular Malaysia, October 2022**

Products	Port Klang		Kuantan		Pasir Gudang		Tanjung Pelepas		Penang		Total all ports (m3)	% Change Sep/ Oct'22
	m3	% Change	m3	% Change	m3	% Change	m3	% Change	m3	% Change		
Sawntimber	32,896	-13	7,447	5	958	40	301	-13	1,767	-29	43,369	-11
MDF	9,119	-49	0	-100	935	-53	1,097	-3	2,109	-14	13,260	-44
Mouldings	7,200	-28	75	47	1,007	-22	821	-16	690	-8	9,793	-25
Plywood	1,720	-20	3,411	100	140	20	235	8	2,026	-34	7,531	35
Veneer	497	94	0	0	0	0	40	254	115	-89	652	-49
Particleboard	9,327	-6	0	0	65	100	0	0	4,741	12	14,133	0
TOTAL	**60,759**	**-22**	**10,933**	**43**	**3,104**	**-24**	**2,494**	**-7**	**11,447**	**-18**	**88,738**	**-17**

Note : Indicates percent change over the previous month

Source : MTIB

from the sharp contracting in trade last month (the sharpest drop in exports and imports noted in several years), rising unemployment and the inevitable public unrest that followed, seems to have been enough to push for a major rethink and revaluation of the policy in place.

Dry Bulk Freight Market

	09 Dec		W-O-W change ±Δ	±%
BDI	1,386	▲	62	4.7%
BCI	1,683	▲	164	11%
BPI	1,659	▲	41	2.5%
BSI	1,152	▼	-10	-0.9%
BHSI	732	▼	-9	-1.2%

According to Mr. George Lazaridis, Head of Research & Valuations for Allied, "the triggers for this U-turn may have been ample yet even with these changes in place there is no guarantee it will be enough to fire up the economy. The major risks these measures could bring are considerable despite the fact they are still well behind what is currently seen in the West. Given that there is still a very low rate of vaccination in its elderly population and a lack of natural immunity, limiting case numbers and deaths will prove to be quite a challenge. An improvement in its domestically developed vaccines and broader-based vaccinations may help ease some of the pressure. Till such a point occurs, the gaps can be covered to some degree through better provisions of anti-viral treatments and increasing healthcare capacity. Keeping its next year." Industry pundits are expecting "an elevated demand for tonnage," he said, as companies would "lower the speed of their ships to bring down their emissions."

"However, reinvigorating its economy will prove to be a major challenge in its own right. China's latest trade figures released last week showed a drop of 8.7 percent in exports year-on-year and a drop of 10.6 percent in imports. These declines obviously in part highlight the exposure and dependency that the Chinese economy still has on other major economies which have been facing dampened demand for imports in the face of high inflation and stagnating growth levels. Yet, domestic consumers have been playing an ever more significant role over the past decade and it is here where the strict COVID restrictions have been a source of fragility. In order to revamp the troubled domestic real estate market and revive internal consumption, a series of daring stimulus packages will be needed. This makes it all the more challenging when considering the fact that an economic recovery will be ever more dependent on bolstering domestic demand rather than being oriented around past export-led growth", said Mr. Lazaridis.

Tanker Freight Market

	09 Dec		W-O-W change ±Δ	±%
BDTI	2,110	▼	-110	-5.0%
BCTI	1,835	▲	29	1.6%

Allied's analyst noted that "given the importance that China plays in global trade and more particularly the trade in dry bulk commodities, any strong recovery at this point in dry bulk freight markets will go hand in hand with a stronger Chinese economy. Till such a point when any new strong stimulus measures are brought about and their effects start to make their presence felt, the dry bulk market looks set to stagger along around its current levels. The most difficult point will most likely prove to be once again the seasonal slump typically noted during the Chinese New Year festivities which this year fall in late January and early February. The expectation is that thereafter we should start to see a significant effort being placed by Beijing to revamp its economy. Depending on the extent and commitment of any and all efforts they bring in doing so, this could lead in turn to a much faster-paced and more significant recovery in dry bulk freight rates during the latter half of 1Q23. Yet all this depends right now on an expectation that Beijing will act in a major way to reverse the recent trends noted in both its economic growth and trade figures."

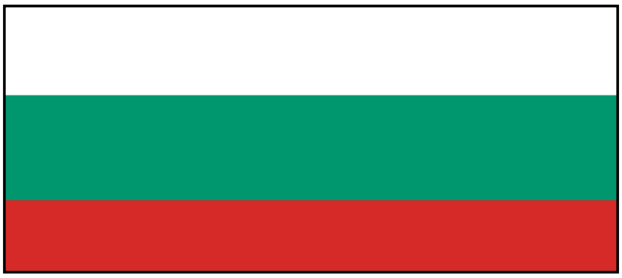
Source: *hellenicshippingnews.com, December 16, 2022*

Shipments of Timber and Timber Products Through Ports in Peninsular Malaysia, November 2022

Products	Port Klang		Kuantan		Pasir Gudang		Tanjung Pelepas		Penang		Total all ports (m3)	% Change Oct/ Nov'22
	m3	% Change	m3	% Change	m3	% Change	m3	% Change	m3	% Change		
Sawntimber	17,538	-50	135	-98	810	-15	442	47	1,037	-45	19,961	-54
MDF	7,537	-17	0	100	833	-11	1,297	18	2,175	3	11,842	-11
Mouldings	4,549	-39	76	1	549	-45	531	-35	344	-41	6,050	-38
Plywood	1,461	-17	0	-100	0	-100	367	56	1,874	-18	3,701	-51
Veneer	310	-40	0	100	0	100	0	-100	365	216	674	3
Particleboard	3,118	-71	0	100	1,904	2,829	0	100	2,570	-46	7,592	-46
TOTAL	**34,513**	**-47**	**211**	**-98**	**4,097**	**32**	**2,637**	**6**	**8,363**	**-29**	**49,821**	**-44**

Note : Indicates percent change over the previous month

Source : MTIB



BULGARIA

Overview

Bulgaria is located in Southern Europe, situated on the eastern Balkan Peninsula. It is a mostly mountainous country surrounded by Greece, Macedonia, Romania, Serbia, and the Black Sea. Bulgaria has strategic access to the Turkish Straits and controls key land routes to Europe and to the Middle East.

Bulgaria has undergone a significant transformation over the past three decades, moving from a highly centralized, planned economy to an open, market-based, upper-middle-income economy securely anchored in the European Union (EU). In its initial transition to a market economy, the country went through a decade of slow economic restructuring and growth, high indebtedness, and loss of savings.

The advancement of structural reforms, starting in the late 1990s, the introduction of a currency board, and expectations of EU accession unleashed a decade of exceptionally high economic growth and improved living standards. However, some legacy issues from that early period remain and, along with the global economic crisis of 2008 and the pandemic-induced crisis in 2020, have undone some of the gains achieved duringthe high-growth period.

Forestry

Forests cover 4.1 million ha, which is 37% of the Bulgarian territory. Broadleaved forests account for 68% of the forest area, and conifers account for 32% of the area. The Bulgarian forests are relatively young forests with an average age of about 51 years. In 2008, 50% of the annual increment was harvested, of which ¾ have been used by the Bulgarian forest products industry and ¼ was used as fuel wood. ¾ of the Bulgarian forests are state owned, while the rest is owned by private individuals, companies, municipalities, and institutions.

The GDP contribution of the sector is 2.5%. Approximately 150,000 people are directly employed in the sector, primarily in rural areas and there are thousands of local timber-based manufacturers and small scaled industries, as well as a few big international-oriented pulp, paper and board producers. The forests give a wide range of essential public products and services, such as water production, protection functions, erosion control, fire prevention and social timber supply.

The large-scale afforestation activities from the middle of the last century resulted in a sudden increase in the area covered by coniferous forest. After 1990 the area of conifer forests started to decline and at the end of 2008 represented only 30.2% of the forest area. This trend is expected to continue into the future. The forest area managed mainly for the purpose of harvesting and environmental functions during 2008 was 68.1%; protective forests and forests for recreation represented 19.8% and the forests and lands in protected areas covered 8.2% of the forest fund of the country. Some 13.4% of Bulgarian forests have as a primary function, the protection of the soil against erosion and water balance maintenance.

Production

Bulgaria is a significant producer of industrial sawlogs and veneer logs. Production of both logs showed a decreasing trend from 1.2 million m^3 in 2019 to 1.1 million m^3 in 2020. In 2020, production of particle board and sawnwood stood at 707,100 m^3 and 606,247 m^3 respectively.

Bulgaria: Production of Timber

Product	2016	2017	2018	2019	2020
Sawlogs and veneer logs	1,153,107	1,047,016	1,239,131	1,185,315	1,114,081
Sawnwood	712,324	660,476	637,896	606,247	606,247
Veneer sheets	19,265	20,682	18,810	19,584	19,584
Plywood	71,068	70,379	54,761	46,000	46,000
Particle board	629,037	666,003	752,166	707,100	707,100
Fibreboard	7,827	6,640	5,783	5,000	5,000
Total	**2,592,628**	**2,471,196**	**2,708,547**	**2,569,246**	**2,498,012**

source: FAO Forest statistics *Volume: m3*

Imports of Timber and Timber Products

Despite its own production, Bulgaria is still a net importer of forest products. In 2021, Bulgaria imported a significant amount of furniture worth USD237.8 million followed by MDF and particle board at USD76.0 million and USD46.9 million respectively.

Bulgaria: Imports of Timber and Timber Products, 2017 – 2021

Code	Product label	2017	2018	2019	2020	2021
'4401	Fuel wood	6,886	10,407	16,202	17,679	27,084
'4402	Wood charcoal	1,475	2,195	2,418	2,204	2,415
'4403	Logs	1,011	1,135	1,063	1,025	3,933
'4404	Hoopwood; split poles	30	47	502	88	80
'4405	"Wood wool	103	116	119	240	382
'4406	"Railway or tramway sleepers	-	-	-	9	-
'4407	Sawntimber	10,836	14,551	19,058	17,470	23,489
'4408	Venner	14,898	14,987	15,272	11,771	15,457
'4409	Moulding	4,455	6,090	6,076	6,858	12,090
'4410	Particleboard	39,030	46,042	42,923	37,019	46,851
'4411	MDF	51,852	58,069	56,037	55,266	76,048
'4412	Plywood	25,695	32,613	30,694	27,698	37,748
'4413	Metallised wood	64	207	196	537	349
'4414	Wooden frames	381	569	785	930	1,028
'4415	Packing cases	12,334	13,669	16,185	18,594	34,657
'4416	Casks, barrels	2,169	2,594	1,114	626	1,289
'4417	Tools, tool bodies	168	192	209	194	945
'4418	BJC	24,488	29,886	32,353	27,690	43,021
'4419	Tableware and kitchenware	1,957	1,524	1,751	1,690	3,602
'4420	Wood marquetry and inlaid wood	1,803	2,167	1,383	1,131	1,895
'4421	Other articles of wood, n.e.s.	4,499	4,993	6,096	6,889	9,126
'9403	Furniture and parts thereof, n.e.s. (excluding seats and medical, surgical, dental or veterinary	94,156	121,082	148,151	162,220	237,753

Sources: ITC Statistics *USD'000*

Bulgaria: Imports of Wooden Furniture (HS9403) From the World, 2017-2021

Bil	Country	2017	2018	2019	2020	2021
	World	94,156	121,082	148,151	162,220	237,753
1	Poland	20,015	29,187	41,062	49,028	63,205
2	China	12,480	15,203	20,643	25,275	39,401
3	Turkey	10,964	13,277	15,800	19,703	34,976
4	Germany	16,592	20,376	18,820	17,596	23,476
5	Italy	9,336	13,273	15,682	13,085	16,407
6	Ukraine	3,430	4,716	4,791	6,220	9,813
7	Romania	2,150	2,849	2,212	2,685	7,260
8	Serbia	1,616	2,719	3,694	3,510	5,576
9	Austria	2,929	2,980	3,555	2,368	4,527
10	Denmark	81	202	1,062	2,161	4,371
27	Malaysia	234	260	318	738	588

** Malaysia Rank 27th from 78 countries* *USD'000*

Exports of Timber and Timber Products

In 2021, Bulgaria's exports of timber products increased 37% to USD752.6 million from USD548.0 million in 2020. Furniture was the main product exported valued at USD301.2 million in 2021 followed by particle board valued at USD136.2 million compared to the previous corresponding period.

Bulgaria: Exports of Timber and Timber Products, 2017 – 2021

Code	Product	2017	2018	2019	2020	2021
'9403	Furniture & Parts	182,692	196,693	202,081	220,015	301,166
'4401	Fuel wood	58,224	55,095	54,138	46,568	44,674
'4402	Wood charcoal	670	990	1,290	1,475	1,483
'4403	Wood in the rough	14,239	15,060	8,090	6,331	6,591
'4404	Hoopwood	5,091	5,684	6,433	6,930	8,735
'4405	Wood wool	447	369	249	303	512
'4406	Railway or tramway sleepers	168	113	-	9	55
'4407	Wood sawn	52,025	43,749	32,390	32,915	41,843
'4408	Veneer	6,391	9,670	14,069	3,987	12,674
'4409	Wood for parquet flooring	4,507	4,922	4,848	3,875	4,858
'4410	Particle board	77,807	81,038	81,711	91,702	136,152
'4411	Fibreboard	17,397	20,384	20,714	22,256	56,057
'4412	Plywood,	33,440	28,784	25,546	26,607	31,691
'4413	Metallised and other densified wood	4,719	6,017	8,363	7,079	9,103
'4414	Wooden frames	14	44	83	253	308
'4415	Packing cases	24,525	25,201	25,686	28,060	47,041
'4416	Casks & barrels,	523	526	834	2,390	3,044
'4417	Tools, tool bodies	534	525	293	151	262
'4418	Builders' joinery and carpentry	11,780	15,692	18,903	22,351	28,750
'4419	Tableware and kitchenware	1,095	1,347	1,301	1,809	2,350
'4420	Wood marquetry	721	923	193	246	557
'4421	Other articles of wood	8,914	9,145	11,250	12,643	14,695
Total		**505,923**	**521,971**	**518,465**	**547,955**	**752,601**

Sources: ITC *Value: USD '000*

Malaysia's Export of Timber and Timber Products to Bulgaria

In 2021, exports of Malaysian timber and timber products to Bulgaria decreased 12% to RM3.7 million from RM4.2 million in the previous corresponding period. The main products exported to the Bulgarian market were wooden furniture. Exports of wooden furniture to Bulgaria for the year 2021 recorded an increase of 79% at RM3.5 million from RM2.0 million in 2020.

Malaysia: Exports of Timber and Timber Products to Bulgaria, 2017-2021

Product	2017	2018	2019	2020	2021
BJC	-	681,893	-	-	88,336
Fuel Wood	-	-	37,169	-	-
Mouldings	-	-	-	83024	-
Other Articles Of Wood	-	214,998	-	-	-
Pulp	-	1,789,761	1,547,606	1,025,319	-
Rattan Furniture	121,089	596,129	492,935	1,054,455	-
Sawntimber	-	-	74,769	-	49,690
Wood Charcoal	-	-	-	34219	-
Wood Marquetry	-	-	-	-	-
Wooden Furniture	1,075,485	1,092,114	1,562,553	1,962,398	3,518,221
Total	**1,196,574**	**4,374,895**	**3,715,032**	**4,159,415**	**3,656,247**

Sources: DOSM/MTIB *Value RM*

Malaysia's Imports of Timber and Timber Products from Bulgaria

Imports of timber and timber products from Bulgaria in 2020 totalled at RM54,212. Major products imported from Bulgaria were wooden furniture. In 2021, Malaysia imported RM54,212 worth of wooden furniture from Bulgaria, a decrease of 31% compared to RM78,950 in 2020.

Malaysia: Imports of Timber and Timber Products from Bulgaria, 2017-2021

Product	2017	2018	2019	2020	2021
Wood Charcoal	0	0	0	10,118	0
Wood Marquetry	0	14,999	0	0	0
Wooden Furniture	279,310	44,021	6,315	78,950	54,212
Total	**279,310**	**59,020**	**6,315**	**89,068**	**54,212**

Sources: DOSM/MTIB *Value RM*

Import Tariffs

Bulgaria's import duty on timber and timber products is 0%-20.5%. Details are as follows:

Bulgaria Import Tariff

Code	Product	MTFTA Rate
4401	Fuel wood	0
4402	Wood charcoal	0
4403	Logs	0
4404	Hoopwood	0
4405	Wood wool & flour	0
4406	Railway sleepers	0
4407	Sawntimber	0 - 2.5

Code	Product	MTFTA Rate
4408	Veneer	0-5
4409	Moulding	7.5
4410	Particleboard	20.5
4411	Fibreboard	7 - 20.5
4412	Plywood	9.3 - 11.5
4413	Densified wood	9
4414	Wooden frames	9 - 9.6
4415	Packing cases	15
4416	Casks, barrels, vats and tubs	15
4417	Tools, bodies and handles	15
4418	Builders' joinery and carpentry	11.3 - 19.5
4419	Tableware and kitchenware	15
4420	Wood marquetry	11.3 - 12.3
4421	Other articles of wood	15 - 16
9403	Furniture & parts	11.9 - 20.2

Source: WTO Tariff

Prospects

Bulgaria is the third most important European country in terms of biodiversity and forestry. Bulgaria operates globally, purchasing furniture items for the domestic market and selling its production to other countries. In the EU furniture market, Bulgaria is well integrated. Bulgaria's revenue in the furniture market amounted to USD719.10 million in 2022. The market is expected to grow annually by 9.34% (CAGR 2022-2027).

Furniture production is a dynamic industry with its success factors lying in the creative ability to combine raw materials and technology to meet market demand and consumer requirements. The competitive advantage of Bulgaria is the low labour rate. Another factor is a long tradition in furniture making and the low costs of doing business in the country. Based on the positive outlook and opportunities in the country, Malaysian exporters should take full advantage of the rising trend in the residential and non-residential construction activities along with the increased preference for wood in construction projects to further promote Malaysian timber and timber products especially value-added products, namely furniture.

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DESIGNED FOR COMFORT

Abitex Furnishings (M) Sdn Bhd was established with the sole goal of wanting to give Malaysians the option to own tastefully designed furniture. The company strives to create premium upholstery that are on par with international brands, for their customers. With over 30 years of experience in the industry and specialising in premium upholstery, they have become the top choice of furniture brand amongst those that appreciate beautifully designed and high-quality custom furniture.

With designs that are inspired by contemporary Italian aesthetics, Abitex Furnishings (M) Sdn Bhd uses a variety of materials for their furniture. Among them, timber is a prominent material that is often used in their designs, and it isn't surprising as timber furniture is one of the most sought-after furniture and with good reason too as it has a timeless elegance to it. Described as a stylish material that gives off a enigmatic and sophisticated touch to one's home aesthetics, the company tries to include timber in their designs as much as they can - their aim is to create trendy and comfortable spaces.

Even though the aesthetics of the furniture is an important feature, functionality is just as important, which is why the company makes it a point to understand the needs of their customers and provide them with upholstery customisation options. This allows them to lend their personal touch to every client and ensure they walk home with furniture that best fits them and their homes. Citing an example, where if a customer is attracted to a certain design but wants it to better fit their height, then Abitex Furnishings (M) Sdn Bhd can make that happen. Their skilled team will customise the furniture to suit the comfort of the customer.

As the trend for timber furniture in Malaysia is ever present, the appreciation for timber furniture has increased in recent years, as more people are aware of the beauty of timber. Which is why the company believes that their partnership of Malaysian Timber Industry Board (MTIB), will help shine light on the magnificence of timber to the masses and will create greater appreciation for it among the current generation of homeowners.

As the company continues to move forward, they hope that more people show interest and enjoy the value of customised furniture and that Abitex Furnishings (M) Sdn Bhd continues to be Malaysia's top furniture brand that is loved by many.

FAST FACTS
Species: Nyatoh

For more information, visit
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RECOGNITION OF PRIOR EXPERIENTIAL LEARNING (RPEL 2021)

RPEL 2021 is a scheme designed to enable Malaysian workers with secondary education or lower to be recognised for their current competencies in particular skills areas based on the standards determined by the Department of Skills Development (DSD) or any equivalent certificates in order to facilitate their career growth. RPEL 2021 is one the schemes that were allocated under RMK12 funding offered by Human Resource Development Corporation (HRD Corp.)

OBJECTIVES

The objectives of the RPEL scheme are:

- to enable local workers with secondary education or lower to be recognised for their current competencies in particular skill areas based on the standards determined by the Department of Skills Development (DSD) or any equivalent certificate in order to facilitate their career growth
- to contribute in producing trained and qualified skilled workers that will enhance the competitiveness of local industries in the global market
- to help improve the average monthly income of workers, thereby supporting Malaysia's goals to become a developed and high-income nation

TARGET GROUP

This scheme is targeted to all Malaysians with qualifications below diploma or Level 4 or its equivalent and individuals who have relevant years of experience as determined by the relevant certification bodies.

CERTIFICATION

- Malaysian Skills Certificate (SKM) Level 3, Level 4 or the Malaysian Skills Diploma (DKM) issued by the Department of Skills Development (JPK) are offered through the RPEL scheme implemented by HRD Corp. The skill areas covered are based on the National Occupational Skills Standard (NOSS).
- Certifications offered under the RPEL scheme will take into account the recognition and assessment of skills, knowledge and experience of workers. These are compiled in a portfolio developed by the candidates, which will be then assessed for certification by the respective certification bodies.
- For the RPEL scheme, candidates are not required to attend any training or classes. However, training will be provided for a candidate with a competency gap.
- The RPEL certification process is expected to be completed within six (6) months.

ELIGIBILITY AND ROLE OF EMPLOYER

All employers in the wood-based industry are eligible to participate in the RPEL scheme. For HRD Corp-registered employers, applications can be submitted directly to HRD Corp. Meanwhile, non-HRD Corp registered employers can participate through appointed vendors. The list of vendors will be published on the HRD Corp portal. However, each HRD Corp registered employer can only submit a maximum of 50 employees per application and each employee is only entitled to participate ONCE in the RPEL scheme.

Employers are responsible for ensuring all trainees fulfil the eligibility requirement and the criteria set by the certification body before enrolling them into the scheme. Upon completion of the training course, employers should ensure that all trainees have successfully obtained their certifications. Employers are also responsible for bearing the cost of training (course fee) that does not fulfil the criteria of claim submission by HRD Corp, throughout the certification process.

SUBMISSION OF TRAINEES' APPLICATION BY HRD CORP REGISTERED EMPLOYERS

- Employers are required to register their applicants' details via HRD Corp's online application system at least one (1) week (seven (7) working days) before the commencement of the evaluation process. They must also attach the following supporting documents:

  i. Copy of MyKad
  ii. Copy of Ringkasan Permohonan SKM secara PPT
  iii. Course Fee Details (Quotation)

- Employers are required to select their preferred Pusat Bertauliah or Appointed Vendor from the dropdown list in the system, in order to proceed with the application.

- The maximum cost that can be claimed by each trainee is RM1,300.00. This applies only for certification fees and other costs incurred through-out the certification process. Employers are required to provide the breakdown of the fees in order for HRD Corp to evaluate and consider the financial assistance and approval amount. However, the cost for competency gap training is not covered by HRD Corp.
- Employers must ensure that details of the trainees are keyed into the system accurately, particularly their names and NRIC numbers. Any incorrect nformation will be queried or rejected.
- The application will be queried if the details and supporting documents of the trainee are not complete. Employers are expected to respond to the queries within three (3) days before the commencement of the RPEL process.
- The average processing period of a complete application is forty-eight (48) hours. HRD Corp is not responsible for any queried or rejected application after the commencement of training.
- The replacement of the trainees is strictly prohibited after an application has been approved. If the approved trainee withdraws during the evaluation process, no claims can be made.
- Employers can also choose HRD Corp Appointed Vendors to participate in the RPEL scheme. However, the grant application must be made by the vendor in accordance with the guidelines for Submission of Trainee Application by the Appointed Vendor which has been approved.

ELIGIBILITY AND ROLE OF INDIVIDUALS

- Registered and non-registered individuals with HRD Corp are eligible to participate in this scheme. However, they need to register with JPK under the HRD Corp RPEL scheme.
- Individuals are only entitled to participate ONCE in the RPEL scheme. Individuals are eligible to participate by level or single tier. However, individuals with Diploma certifications are not recommended to participate in the RPEL scheme.
- JPK can make the determination that individuals may register themselves and apply through the Sistem Pengurusan Integrasi Kemahiran Malaysia (MySpike) system.
- JPK is responsible in ensuring all trainees fulfil the eligibility requirements of the RPEL scheme and the criteria set based on the Pengiktirafan Pertauliahan Terdahulu (PPT) guideline before registering in MySpike
- HRD Corp will ensure that all trainees obtain their certifications upon completion of the training course.

SUBMISSION OF TRAINEES' APPLICATION BY INDIVIDUALS

- Interested individuals are required to undergo the registration process with JPK through the MySpike system.
- Qualified trainees will be paid by HRD Corp upon taking into consideration the eligibility requirements of RPEL scheme as well as the criteria set by the Pengiktirafan Pertauliahan Terdahulu (PPT) guideline. HRD Corp will inform JPK of rejected applicants or those who do not meet the qualification criteria for further action.
- HRD Corp will pay the registration fees of the trainees directly to JPK. HRD Corp will only support the registration fee of RM300.00 per individual. Said individuals are responsible for any additional cost.

For any further information please refer to www. hrdcorp.gov.my or contact support @hrdcorp.gov.my

Malaysian Wood
Standing on Excellence

LOGS

The average prices of the timber market in October 2022 were mixed based on the price data received, with 52% of the 21 species referred to experiencing no price changes from the previous month. 40% of them showed a decrease in average price, while the remaining 10% showed an increase.

Several species such as Merbau, Mix Heavy Hardwood, Keruing, Kempas, Mengkulang, Dark Red Meranti, Red Meranti and Nyatoh each showed average price declines of between 1% and 9.4%, or at price ranging from RM20 to RM210 per tonne, traded at RM3,290, RM1,237, RM1,990, RM2,225, RM1,820, RM2,230, RM2,350, and RM1,350 per tonne respectively. The average price for the Sepetir species, on the other hand reportedly increased by nearly 18% over the previous month, traded at RM1,430 per tonne.

The feedback received from the industry regarding the increase was due to a lack of sufficient stock to meet the increasing demand for certain species in the current market. The arrival of the monsoon season in most of the major logging areas, as well as in the east coast states of the peninsula, is seen as contributing to the difficulties in obtaining timber stock for the necessary species and forcing the supplier to raise the market price.

SAWNTIMBER

In general, any type of percentage change or retention in the average price of logs for most of the reference species reported indirectly will affect the average price of sawntimber products under the three main production class categories, which are General Market Specification (GMS), Strips, and Scantling. In October 2022, under the GMS production class category, 33% or 7 species, namely Balau, Merbau, Kempas, Kapur, Mengkulang, Red Meranti, and Jelutong, recorded a significant decrease in average prices of 1%-2%, while species such as Keruing and Nyatoh recorded increases of 2%-7.5%. In relation to that, the average trade prices for the species that experienced price decreases were RM2,959, RM3,100, RM2108, RM1734, RM1391, RM1921 and RM1871 per m^3, while Keruing and Nyatoh were RM2,218 and RM1,455 per m^3, respectively.

Eight species in the STRIPS production class category saw their prices fall by 1% to 10%. This production class category includes the following species: Red Balau, Merbau, Kempas, Kapur, Mengkulang, Red Meranti, Yellow Meranti and Mersawa. The average trade price for each species was RM2,472, RM3,072, RM2,260, RM 1,342, RM 1,518, RM1,864, RM1,254 and RM1713 per m^3. Only Nyatoh recorded a 2% increase in the Scantling production class, with a trade price of RM1,391 per m^3, while the average price for most of the Scantling production class species was classified as unchanged.

PLYWOOD

In October 2022, the average price of plywood for the four main sizes traded was boxed and plywood with thicknesses of 4 mm, 6 mm, 9 mm, and 12 mm remained unchanged in price. Plywood with thicknesses of 4mm, 6mm, 9mm, and 12mm were traded at RM19.40, RM26.70, RM41.25, and RM49.35 per piece respectively with the average price remaining unchanged from the previous month.

MEDIUM DENSITY FIBREBOARD (MDF)

The average price for MDF products was discovered to be slightly lower by around RM0.10-0.20 per piece for MDF with thicknesses of 6mm, 9mm, and 12mm, according to panel pricing company feedback. According to the industry, small changes in average prices were caused by a slowing MDF market, which was seen as slowing and indirectly causing product demand. As a result, the average trading prices for MDF products in October 2022 were RM23.00, RM32.40 and RM32.20 per piece for 6mm, 9mm, and 12mm MDFs, respectively. In comparison to the previous month, MDF prices for these three sizes were RM23.10, RM32.50 and RM39.40 per piece. MDF of 4mm thickness, on the other hand, maintains its trading price momentum of RM14.90 per piece.

INTRA-MALAYSIA TRADE* - OCTOBER 2022

Two of the four categories of timber products traded from Sabah to the peninsula, namely logs and sawntimber, decreased in value and volume in October 2022, while the other two, plywood and veneer, increased. Log trading was reported to have decreased by 100% in October 2022, when no transactions were recorded. Meanwhile, sawntimber trade value and volume decreased by 47% and 12%, respectively, resulting in a trade value of RM276,000 and a volume of 251 m^3. Despite a 15% increase in total volume traded, the trade value for plywood products was reported to be nearly unchanged in October compared to the previous month. However, the volume and trade value of veneer products reportedly increased by 100% when the product was traded again in October, with a trade value of RM149,000 and a trading volume of 122 m^3.

In terms of timber and timber product trade between Sarawak and the Peninsula in October 2022, only sawntimber and plywood products increased in value and volume. Sawntimber increased in volume by 729% and in value by 110%, with a trading volume of 1063 m^3 and a trade value of RM322,000. Plywood increased by more than 100% over the previous month, with the percentage of trade value and volume increasing to RM1.2 million and 1032 m^3 respectively for a 103% and 154% increase. However, trading in timber and veneer products during the reporting month revealed that no transactions were reported for these two products.

Source: Malaysian Timber Industry Board (MTIB) and Department of Statistics, Malaysia

*AVERAGE DOMESTIC PRICES OF LOGS, SAWN TIMBER, PLYWOOD AND MDF IN PENINSULAR MALAYSIA, OCTOBER 2022 (RINGGIT MALAYSIA)

	LOGS/ton	SAWNTIMBER/m³		
SPECIES	18" UP	GMS	STRIPS	SCANTLINGS
HEAVY HARDWOOD				
Chengal	5,000	6,003	3,531	9,887
Balau	3045	2,959	2,200	3,411
Red Balau	2,740	2,790	2,472	2,489
Merbau	3220	3,100	3,072	2,825
Mixed Heavy Hardwood	1200	1,116	1,095	1,218
MEDIUM HARDWOOD				
Keruing	1,970	2,218	2,027	1,822
Kempas	2,220	2,108	2,260	2,807
Kapur	1,980	1,734	1,342	1,850
Mengkulang	1,740	1,391	1,518	2,097
Tualang	1,270	1,900	1,995	2,041
LIGHT HARDWOOD				
Dark Red Meranti	2,020	2,119	1,889	3,146
Red Meranti	2,265	1,921	1,864	2,309
Yellow Meranti	1,875	1,695	1,254	1,977
White Meranti	1,500	2,507	1,801	1,977
Mersawa	1,640	1,751	1,713	2,020
Nyatoh	1,330	1,455	1,299	1,391
Sepetir	1,680	1,730	1,292	1,773
Jelutong	1,125	1,871	1,589	1,773
Mixed Light Hardwood	1,110	1,059	1,254	1,165

MALAYSIAN RUBBERWOOD *Hevea brasilienses*	LOGS/ton	SAWNTIMBER/m³			
		1" X 1"	2" X 2"	3" X 3"	4" X 4"
	220	1,120	1,275	1,370	1,470
PLYWOOD 4' X 8' (RM per piece)	**4 mm**	**6 mm**	**9 mm**		**12 mm**
	19.40	26.70	41.25		49.35
MDF 4' X 8' (RM per piece)	**4 mm**	**6mm**	**9 mm**		**12 mm**
	14.90	23.00	32.40		39.20

Note: Log prices ex-batau. Sawn timber, plywood, MDF and Malaysian Rubberwood (Hevea brasiliensis) prices ex-mill
** Prices are only indicative*

INTRA-MALAYSIA TRADE- OCTOBER 2022

	Sep-22		Oct-22		% change in volume	% change in value
	Vol(m³)	Val(' 000 RM)	Vol(m³)	Val(' 000 RM)	Sep/Oct	Sep/Oct
Sabah						
Logs	3,955	77,000	0	0	-100	-100
Sawn Timber	284	520	251	276	-12	-47
Plywood	1,789	4,373	2,053	4,399	15	1
Veneer	0	0	122	149	100	100
Sarawak						
Logs	0	0	0	0	0	0
Sawn Timber	128	153	1,062	322	729	110
Plywood	407	597	1,032	1,212	154	103
Veneer	9	29	0	0	-100	-100

Source: Malaysian Timber Industry Board (MTIB) and Department of Statistics, Malaysia

SELAN

Suitable For Light to Medium -heavy Construction


Selan leaves and tree

Selan is a medium hardwood *Switonia* spp. from the family Anacardiaceae. It is known by several other vernacular names such as Periang (Peninsular Malaysia); Pitoh (Sarawak); Rengas (Sabah); Kaluis, Lomarau in the Philippines; Civit, Taung-thayet, Shitle in Myanmar; Kayu-muyaeng, Khanthong, Priang in Thailand; Kereta and Maban in Indonesia, Civit in Pakistan and as Muom in Viet Nam.

Three species of Selan are found in Peninsular Malaysia namely *Switonia schwenkii, S. spicifera,* and *S. floribunda*. The Selan tree is commonly distributed in the lowland to mountain forests and is sometimes gregarious depending on the species.

General Characteristics

The sapwood is light brown with a grey or pink tinge, and it is not well-defined from the heartwood, which is grey brown with a pink tinge. Some trees develop a core wood which is streaked with orange and red lines. The timber grain is straight to interlocked. Texture is moderately coarse to even. Narrow pale stripes often occur on radial surfaces in addition to broader stripes caused by interlocked grain. The density of Selan ranges from 640 to 880 kg/m³ at 15% moisture content.

Anatomical Features

Very often growth rings are absent, but the presence of terminal parenchyma may stimulate growth rings. The size of vessels are medium to moderately large, generally few, as solitary and in radial pairs and multiples of three to seven in a series, evenly distributed without any arrangement. Tyloses are often present but not well developed. Wood parenchyma is both apotracheal, as irregularly spaced concentric bands, and paratracheal, as narrow incomplete borders to the vessel. Rays are very fine and not visible to the naked eye, except for occasional medium-sized rays containing horizontal canals.

Strength Properties

The timber falls into Strength Group B or SG 4 (MS 544 : Part 2:2001)

Table 1: Strength Properties of Selan

Species	Test Condition	Modulus of Elasticity (MPa)	Modulus of Rupture (MPa)	Compression Parallel to Grain (MPa)	Compression Perpendicular to Grain (MPa)	Shear Strength (MPa)
S. floribunda	Green	14,700	77.0	40.5	4.48	10.9
	Air dry	16,300	103.0	51.4	7.24	12.6
S. schwenkii	Green	14,200	76.0	37.7	4.34	10.4
	Air dry	15,700	97.0	47.7	6.41	13.4
S.spicifera	Green	16,800	80.0	39.7	-	13.2
	Air dry	18,100	108.0	56.6	-	13.3

Note: Mpa – Megapascals

Machining Properties

It is difficult to saw and cross-cut the timber but easy to plane and the surface produced is smooth.

Wood colour and texture

Machining Properties of Selan

Species	Test Condition	Sawing		Planing		Boring		Turning	
		Resawing	Cross cutting	Ease of planing	Quality of finish	Ease of boring	Quality of finish	Ease of turning	Quality of finish
S. floribunda	Green	difficult	difficult	easy	smooth	difficult	smooth	-	-
	Air dry	very difficult	very difficult	easy	smooth	difficult	smooth	difficult	slightly rough
S. schwenkii	Green	easy	easy	easy	smooth	difficult	smooth	-	-
	Air dry	very difficult	very difficult	easy	smooth	very difficult	smooth	difficult	rough
S. spicifera	Green	very difficult	very difficult	easy	smooth	very difficult	smooth	-	-
	Air dry	very difficult	very difficult	easy	smooth	slightly difficult	smooth	difficult	rough

Uses

Selan is suitable for light to medium-heavy general construction as well as for boat building especially for the hulls and keels. It is also used for the manufacturing of packing cases, matchboxes and splints. The timber is suitable for interior finishing, paneling, partitioning, flooring and furniture and it is also valued as a timber for veneer and plywood. Pulp made from Selan is of good quality and is a suitable material for the production of writing, printing and wrapping paper.

References:

1. *Lembaga Perindustrian Kayu Malaysia. (2010). 100 Malaysian timbers: 2010 edition. Kuala Lumpur [Malaysia: Malaysian Timber Industry Board.*

2. *Menon, P. K. B. 1986. Uses of Some Malaysian Timbers. Revised by Lim, S. C. Timber Trade Leaflet No. 31. The Malaysian Timber Industry Board and Forest Research Institute Malaysia, Kuala Lumpur.*

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

Selan flooring


1 November 2022
D Advance Agarwood Solutions Sdn. Bhd. on inauguration of a new management office located in Bukit Jalil, Kuala Lumpur by YBrs. Mr. Saiful Bahri Salleh, Deputy Director General (Management and Operations) MTIB


2 November 2022
Signing session on the Strategic Cooperation between the Malaysian Timber Industry Board (MTIB) represented by YBrs Tn. Hj. Kamaruzaman Othman, Director General of MTIB and Encik Shamsul Abu Bakar, Chief Executive of Akademi Yakin Sdn Bhd (AYSB)


10 November 2022
MTIB Chairman's Mandate by YBhg. Datuk Hishamuddin Abdul Karim, Chairman of MTIB

11 November 2022
Sabah Wood & Lifestyle Fair 2022 (SLWF 2022)

15 November 2022
YBrs. Tuan Haji Kamaruzaman Othman, Director General of MTIB officiate the 29th General Meeting of The Association of Malaysia Bumiputra Timber and Furniture Entrepreneurs Association (PEKA)

17 November 2022
Courtesy visit by YBrs. Tuan Haji Kamaruzaman Othman, Director General of MTIB to YBhg. Dato' Sri Dr. Mohd Uzir Mahidin, Chief Department of Statistics Malaysia (DOSM)

24-25 November 2022
Malaysian Skills Certification Programme through Recognition Of Prior Achievements (PPT) Sabah Zone located at WISDEC Sabah