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NEW MINISTER AND DEPUTY FOR MPIC

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Cover: *A WISDEC trainee honing his skill during a Furniture Design and Making course. WISDEC has been appointed by the Department of Skills Development as an Industry Lead Body (ILB) for the timber industry. To promote the ILB functions, WISDEC organised a briefing as reported on page 21.*

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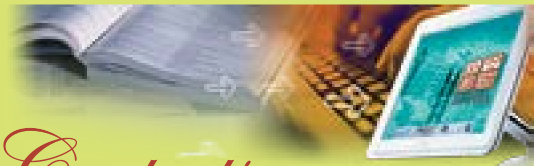

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NEW MINISTER AND DEPUTY FOR MPIC

YB Dato' Sri Douglas Uggah Embas

Following the formation of the Cabinet upon conclusion on the recent General Elections 2013, YB Dato' Sri Douglas Uggah Embas has been appointed by YAB Prime Minister as the new Minister of Plantation Industries and Commodities on 16 May. He is currently the Member of the Parliament for the Betong constituency in Sarawak, representing the United Traditional Bumiputera Party (PBB). Previously, Dato' Sri was the Minister for Natural Resources and Environment. He has previously served as the Deputy Minister for Transport as well as the Political Secretary to the YAB Chief Minister of Sarawak. Dato' Sri Douglas succeeded Tan Sri Bernard Dompok who has been the Minister of Plantation Industries and Commodities since 2009.

YB Dato' Noriah Kasnon

YB Dato' Noriah Kasnon was also appointed at the same time as the Deputy Minister of Plantation Industries and Commodities. The Member of the Parliament for the Sungai Besar constituency in Selangor, she was previously the Deputy Minister for Women, Family and Community Development. She is a Law graduate from Universiti Islam Antarabangsa Malaysia. Dato' Noriah replaces Dato' Hamzah Zainudin who has been appointed as the Deputy Minister of Foreign Affairs.

MASKAYU congratulates both on their appointments and thanks their predecessors for their contribution during their tenure in MPIC.

TIMBER WORLD IN BRIEF

AUSTRALIA
Approvals for New Home Developments up 27.3% in Year Ended April 2013

According to the Australian Bureau of Statistics, approvals for the construction of new homes improved 27.3% for 12 months to April 2013. In April 2013, building approvals climbed 9.1% to reach 13,774 new homes. After seasonal adjustment, building approvals stood at 12,630 in March 2013. New homes include townhouses, houses and apartments in multi-unit buildings.

The Australian, 30 May

BELGIUM
2,241 Wooden Houses Built in 2012

In Belgium in 2012, 2,241 houses were made out of wood. This was a 36% year-on-year increase. Wooden buildings represent 8% of all new homes in Belgium, according to Hout Info Bois. Constructing wooden houses is only profitable for companies able to build at least one house a month, as a result, most companies have supplementary work, as most only work on a few sites. The Walloon Region has more construction companies working in wood than the Flanders Region and these companies are favouring the use of local wood, which is cheaper than Scandinavian wood.

La Libre Belgique, 20 May

CHILE
Forestry Exports up 2.5% in First Four Months of 2013

According to figures from Corporacion Chilena de la Madera, forestry exports in the first four months of 2013 were up 2.5%, with better prices helping to keep the numbers positive. Exports reached a total of USD1.738 billion (EUR1.35 billion) during the period. The rise coincided with an increase in the price of bleached pulp. Bleached Eucalyptus pulp led exports during the period, reaching USD406.5 million, which is 18% higher than in the year-ago period. Although in monetary terms exports increased, volumes did not perform so well because of issues with the production of some products rather than a decrease in demand from the main countries that buying from Chile. It has been forecast that production in these segments will normalise during the rest of the year, with forestry exports estimated to possibly rise by 6% annually. In 2012, forestry exports reached a total of USD5.283 billion.

El Mercurio (Chile), 29 May

EUROPE
Parquet Growth Uneven Across Region

The situation in the parquet industry was uneven across Europe in the first quarter of 2013, according to the European Federation of the Parquet Industry. Denmark saw growth of 2.2%, while the poor economic situation and high unemployment led to a reduction of 10%. In France the reduction was 15%. Germany had stable sales, although there was a move towards larger formats. There was a similar situation in Switzerland. Sales in Italy were down by 20%, while in the Netherlands domestic sales were down 10% but production was increased as two thirds were exported.

Holz-Zentralblatt, 17 May

EUROPE
Slow Start in 2013 for Chinese Plywood

In April 2013, anecdotal reports from market participants indicate that European landed stocks of plywood are high relative to demand. Stocks are being consumed only slowly.

In the current uncertain economic environment, most importers are now holding back on making new plywood purchases. Europe demand for Chinese plywood was particularly slow throughout the first quarter of 2013 due to limited construction activity and weak demand from the packaging sector. Due to concern about EUTR legal liabilities, importers have become extremely wary of buying replacement volumes of both MLH plywood and Poplar/Bintangor plywood from China.

At present, buyers in the UK, Belgium and the Netherlands are focusing on Chinese plywood composed of Eucalyptus or Poplar cores and certified tropical wood surface veneers. German buyers are now concentrating mainly on film coated Poplar plywood from China.

Prices for Chinese plywood on offer to European importers have also been rising this year. This is partly due to a significant narrowing in the supply base. European importers are now buying from a restricted range of exporters regarded as best able to provide legality assurances. It's also partly because those exporters are pushing for higher prices in order to cover the extra costs of EUTR documentation and the higher costs of securing legally verified logs and veneers.

There was also a significant freight rate increase on the China-Europe route in March this year. Rates for a 40 foot container increased from below USD2,000 to over USD2,500 during the month and are widely expected to continue to rise.

ITTO report, 1-15 May

FRANCE
New Housing Construction Down 1.1% from February to Late April 2013

According to the French Ministry of Housing, the number of new housing construction projects started between February and the end of April 2013 fell to 85,000, down 1.1% year-on-year. This includes a 6.1% increase in collective housing, a 4.7% drop in temporary housing and 6.7% decline in individual housing. The number of new housing construction projects started for the 12-month period between 1 May 2012 and 30 April 2013 fell 15.6%, while the number of building permits issued dropped 6.2%. Around 121,700 new dwellings were authorised for construction between February and the end of April 2013, up 3.8% year-on-year. The number of building permits issued for new dwellings, which represented 87% of all permits, increased by 3.9%. Building

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permits for individual homes increased 15.2%, while collective housing and temporary housing dropped 1.4% and 34.7% respectively.

Business Immo, 28 May

GERMANY
Kitchen Industry Sales Up 3.4% in 2012

The German kitchen industry increased its sales by 3.4% in 2012 to EUR9.99 billion, according to the Arbeitsgemeinschaft Moderne Küche (AMK). Domestic growth was 5.4% to EUR5.95 billion. The average price of a kitchen in Germany was up to EUR7,100, an increase of EUR800 since 2008. The proportion of high-end kitchens over EUR16,000 was 14%, twice as much as in 2008. Exports were up 0.6% to EUR4.04 billion, but in the previous year they had risen by 6%. China is becoming an increasingly strong market for German kitchens, as they are becoming a status symbol.

Holz-Zentralblatt, 17 May

INDIA
India to be a Growth Market for Forest Products

According to a RISI study, India's 2013 Forest Products Industry Outlook, India's wood fibre deficit will grow from 11.9 million m^3 in 2011 to 27 million m^3 in 2021. This means that there will be an increase of imports of logs and the round wood equivalent of imports of primary forest products (timber, wood panels and pulp). In 2021, 47% of the deficit will be logs, 36% pulp and 16% wood products.

In January-September 2012, 19.2% of India's paper and paperboard imports came from the US, 11.1% from China, 10.9% from Russia, 8.5% from Canada, 8.1% from South Korea and 5.7% from Finland. Wood pulp imports in 2011 came mainly from Indonesia (30.9%), the US (13.1%), Canada (12.9%), Sweden (7.9%), South Africa (6.9%) and Finland (5%).

Pulp & Paper International, 13 May

RUSSIA
Wooden Houses Account for 13% of Total Supply in St. Petersburg

According to Petersburg Real Estate consulting agency, wooden houses accounted for 13% of the total housing supply in St. Petersburg in 2012, compared with 23% in 2011. Wooden houses were built in 21% of cottage communities, with 34% of them being luxury. Business and economy class communities had 17% and 13% of houses built of wood, respectively.

Economy class frame houses captured 40-50% of the total supply. Prices for such facilities are set at RUB3 million (USD95,342.76) - RUB12 million (USD381,371.03). Business class and luxury houses are mainly made of laminated beam. The wooden house market is expected to rise by 10% per annum until 2015. Experts state that demand for frame and panel wooden houses will grow faster than demand for facilities made of solid timber.

Delovoi Petersburg, 20 May, Supplement Gde Zhit

SOUTH KOREA
Anti-dumping Duties not to be Imposed on China-made Plywood

The Korea Trade Commission (KTC) will continue to carry out related investigations on China-made plywood although it has decided to not impose provisional anti-dumping duties on the product. The decision was announced by KTC on 8 May 2013.

Wood168, 17 May

SWEDEN
46% Plan Home Renovations for the Summer Holidays

Forty-six per cent of all Swedes and 53% of men aged 35-55 years are planning to renovate their homes during the summer holidays. The top five renovation projects for summer 2013 are painting, patio construction or renovation, facade renovation, bathroom renovation and kitchen renovation. This is shown in a survey carried out by Bosch Power Tools. The survey also shows that 37% feel anxiety about their planned renovation projects.

Woodnet, 21 May

US/CANADA
American and Canadian Wood Councils Release Wood Environmental Product Declarations

The American Wood Council (AWC) and Canadian Wood Council (CWC) have announced the release of four new environmental product declarations (EPDs) for North American wood products, including softwood lumber, plywood, oriented strand board and glue-laminated lumber.

EPDs are standardised tools that provide information about the environmental footprint of the products they cover. The North American wood products industry has taken its EPDs one step further by obtaining third-party verification from the Underwriters Laboratories Environment, an independent certifier of products and their sustainability.

For the first time, users have a science-based and third-party verified tool to understand and weigh what environmental factors are important to them when making their product selections.

Wood Base Panel International, 10 May

US/EUROPE
Softwood Demand Still Weak in Europe, Improving in the US

In most European markets, the demand for softwood is weak. Some exporters like Finnish and Swedish companies are again interested in Asian markets where the demand is going up. The UK still has economic problems but the softwood market is better than, for example, in Holland and Belgium. Accessing prices in the UK have improved since the start of 2013. Home-grown production has advanced in the UK which has had an effect on softwood imports. Some shippers see

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Shipping Rout Spurring Defaults within Coming Months

Shipping defaults would increase in the next few quarters after charter rates for the merchant fleet plunged and banks imposed tougher lending conditions, according to Standard & Poor's.

Rates for vessels have slumped to 30% and 80% below their 10-year average. Rising fuel costs were curbing earnings and ships ordered during the industry's boom years were joining the fleet at a time when global trade was subdued. Those market conditions were lowering the value of assets and discouraging lending.

The ClarkSea Index, an overall measure of daily vessel earnings averaged the lowest on record in February, according to data from Clarkson Plc (CKN), the world's largest shipbroker. The market for the biggest tankers was in a "state of panic" said the Frontline Ltd., the owner led by Norway-born billionaire Mr. John Fredriksen.

The global fleets of container ships and vessels transporting coal, ore and grains both doubled in size over the past decade and supply of oil tankers expanded by 50%.

The Baltic Dry Index, a measure of commodity shipping costs, averaged 796 this year, the worst start of its kind since at least 1985 according to the Baltic Exchange in London.

Source : Bloomberg, 3 April

Chile Port Strikes Spread as Minister Warns of Product Shortages

Chile's port strike was expanding and costs were mounting, prompting the government to warn that it threatened to trigger shortages of basic goods and drive up prices.

State-owned copper miner Codelco, fruit growers and the nation's second-largest pulp exporter Empresas CMPC SA (CMPC) all said protesters were blocking their shipments. Supplies of coal, which powers about 20% of Chilean power plants would be at risk if strikes continued, said the Finance Minister, Mr. Felipe Larrain.

Ms Evelyn Matthei, Labour Minister was scheduled to meet port operators and unions to negotiate an end to stoppages that started 16 March in the northern port of Angamos. Workers at San Antonio, the country's largest port joined the strike later that month in solidarity with Angamos while the nearby port of Valparaiso began protests on 5th.

Chile was the world's leading producer of copper, shipping USD42 billion on 2012. The stoppages were restricting exports of the metal by 60% and came as workers threatened to protest for greater job security at mines belonging to BHP Billiton Ltd. (BHP) and Anglo American Plc. (AAL) Copper for delivery in May fell 0.2% to USD3.345 a pound.

Source : Bloomberg, 6 April

Port Klang to Maintain Growth

Despite a weak first quarter, Port Klang was expected to maintain its growth momentum in 2013 as container volume was poised to pick up in the current quarter onwards buoyed by the expansion mode of terminal operators and higher intra-Asia trade.

Port Klang, the 13th largest container port globally, registered a 4.1% growth in container handling last year compared to 2011 with a total of 10 million twenty-foot equivalent units (TEUs).

Captain David Padman, Port Klang Authority General Manager was positive of the port's outlook this year as both Westports Malaysia and Northport were increasing their capacity. It also

Shipments of Timber and Timber Products through Ports in Peninsular Malaysia, April 2013

Products	Port Klang		Kuantan		Pasir Gudang		Tanjung Pelepas		Penang		Total all ports m^3	% Change April 2013/ March 2013
	m^3	% Change April 2013/ March 2013	m^3	% Change April 2013/ March 2013	m^3	% Change April 2013/ March 2013	m^3	% Change April 2013/ March 2013	m^3	% Change April 2013/ March 2013		
Sawntimber	31,304	-2	113	-28	579	23	96	-51	6,827	-5	38,919	-3
MDF	25,726	818	482	-	7,868	-25	11,130	-18	23,707	9	68,913	42
Mouldings	7,799	4	168	-23	1,065	-2	1,369	63	1,880	-12	12,281	4
Dressed Timber	95	-95	-	-	579	16	370	14	772	47	1,816	-42
Plywood	6,440	8	-	-	24	-	17	6	8,959	42	15,440	26
Veneer	79	216	-	-	-	-	-	-	142	-39	221	-23
Particleboard	34,729	27	-	-	3,949	3,930	997	-74	-	-	39,675	27
TOTAL	**106,172**	**37**	**763**	**102**	**14,064**	**11**	**13,979**	**-25**	**42,287**	**11**	**177,265**	**20**

Note : Indicates % change over the previous month
Source : MTIB

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depends very much on the intra-Asia trade environment this year as the European market still does not look good. Port Klang was also looking at single-digit growth with volume expected to hit 10.4 million to 10.5 million TEUs in 2013.

In terms of development, Northport's new container terminal 4 (CT4) was progressing on schedule. Wharf 8A, which forms part of CT4, was expected to be fully operational by July this year. Upon completion in mid 2013, Northport would be able to handle 5.6 million TEUs. Northport was also investing in new equipment to enhance the efficiency of its operations. Four super post-panamax quay cranes would arrive in the second quarter of 2013 to coincide with the completion of Wharf 8A.

Northport was acquiring 13 units of electric rubber-tyred gantry (E-RTG) for its container handling operations. Meanwhile, Westports was expected to carry on its expansion plans this year with the completion of the remaining 300 metre quay Container Terminal 6 and concurrently commencing its construction of Container Terminal 7 comprising an addition 600 metre. Container Terminal 7 was due for completion by early 2014 with an additional seven quay cranes, E-RTGs, trucks and consequent yard space to support the operations which would increase Westports capacity to over 10 million TEUs.

Encik Ruben Emir Gnanalingam, CEO of Westports Malaysia said the port's volume only grew by 1-2% in the first quarter from a year ago but it was not a big concern as the first quarter was usually a weak period mainly due to the Chinese New Year holidays. The second quarter was where the growth picking up and foresee 8-10% growth in the second quarter over last year.

On the listing plan for Westports, Encik Ruben said the port was still considering all of its options and decision would depend on market conditions and the shipping environment.

Source : The Star, 15 April

Oil Tankers Continue to Lose Money

The biggest oil tankers hauling Middle East crude oil to Asia lost money for the fourth week as ships continued to out-number cargoes in the Persian Gulf. Very large crude carriers (VLCC) were losing USD941 (RM2,861) daily on the benchmark Saudi Arabia-to-Japan voyage, figures from the London-based Baltic Exchange showed compared with USD992 yesterday. The vessels, each able to hold two million barrels, were earning about USD16,500 a day at the year's start. Returns became negative again on 28 March after VLCCs lost money on the benchmark journey for seven weeks through 14 March, according to the exchange.

The supply of tankers available to load cargoes in the Gulf remained ample, London-based E.A. Gibson Shipbrokers Ltd. said in a report. Supply continued to prove more than sufficient and rates failed to respond. On the other hand, demand to book VLCCs to haul crude from the Gulf was "stuttering".

Charter costs for VLCCs on the route to Asia were little changed at 32.02 industry-standard Worldscale points, the exchange's figures showed. *(The Worldscale system is a method for pricing oil cargoes on thousands of trade routes. Each individual voyage's flat rate, expressed in US dollars a tonne, is set once a year)*

Earnings assessments by the exchange failed to account for owners' efforts to improve returns by securing cargoes for return voyages or reducing speed to burn less fuel, the industry's biggest expense. The price of fuel, or bunkers, fell 1.4% to USD602.10 a tonne, compiled by Bloomberg from 25 ports.

Source : New Straits Times, 29 April

Westports Construction for New Container Terminal Berth

Westports Malaysia Sdn. Bhd. expects the first 300-metre berth of its 600 metres Container Terminal 7 (CT7) to be completed in December 2013. The port operator said the remaining 300 metres would be completed by early next year, together with the delivery of seven Quay Cranes and 42 rubber-tyre gantries (RTGs) to support the new facility. The construction of the last 300 meters of the CT6 was completed in April, taking total container quay length to 4,000 meters and overall handling capacity to 9.5 million TEUs. This augurs well for their target of handling 7.4 million TEUs in 2013, a growth of 7% from 6.91 million last year.

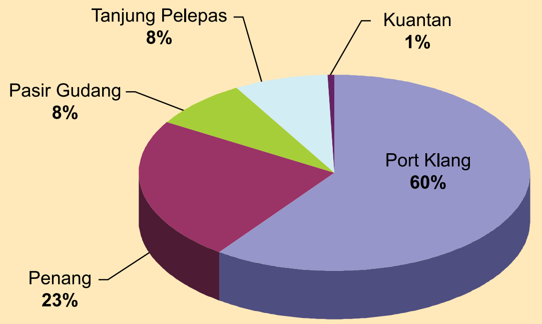
Encik Ruben Emir Gnanalingam, CEO of Westports Malaysia said when the CT7 was ready it would give the port the capability to handle the 18,000 TEU class vessels.

The completion of CT7 would take the port's overall container berth length to 4,600 meters, supported by the seven new Quay Cranes which would be the tallest of such in the world, to handle the 18,000 TEU class vessels. This additional quay length would increase Westports handling capacity to 11 million TEUs a year. He also added that with the berth depth of 17.5 meters, Westports would stand out as one of the few ports in the world with the deepest berth depth to accommodate the biggest vessels in the world.

Westports Malaysia, the operator of Westports in Port Klang, expects its container volume to grow by 7-8% annually for the next five years.

Source : BERNAMA, 30 April

Shipments of Timber and Timber Products through Ports in Peninsular Malaysia, April 2013



Total = 177,265 m³

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Export of timber and timber products from Peninsular Malaysia in January - April 2013 period registered an increased of 43% to RM1.05 billion in value compared to the same corresponding period last year. Additionally, export for the month of April 2013 increased by 6% to RM 293.0 million since March 2013.

Sawntimber

Export of sawntimber in April 2013 increased 3% in volume and 2% in value to 85,679 m^3 with a value of RM122.1 million. Cumulative exports for the first four months of the year showed a significant increase of 274% in volume and 373% in value to 316,040 m^3 valued at RM454.1 million.

Exports to the EU increased slightly to 10,632 m^3 from 10,563 m^3 recorded in the previous month. Exports to Belgium and Germany improved by 16% to 1,670 m^3 and 4% to 1,656 m^3 respectively due to improved building permits for wooden houses in Germany. However, export to the Netherlands and France decreased 11% to 3,871 m^3 and 12% to 1,115 m^3 respectively. Similarly, demand by the UK showed a decline of 6% to 1,324 m^3 compared to 1,407 m^3 in the previous month. The UK's construction activities registered a negative growth as a result of the slowing down of the economy due to the financial crisis and austerity measures implemented by the government.

Meanwhile, demands from the Middle East increased 96% to 16,141 m^3 from 8,232 m^3 in the previous month due to improved housing development activities specifically in Dubai, UAE and Oman. Shipments to the UAE and Oman increased significantly to 7,551 m^3 and 1,898 m^3 from 751 m^3 and 285 m^3 respectively. Similarly, export to Qatar increased to 919 m^3 from 386 m^3 in the previous month. On the other hand, export to Saudi Arabia decreased 16% to 3,630 m^3.

Export to ASEAN decreased 15% to 35,012 m^3 due to reduced purchases by Thailand and Singapore. Export to Thailand decreased 18% to 23,756 m^3 compared to 28,786 m^3 in the previous month. Likewise, import by Singapore and Viet Nam decreased 3% to 10,768 m^3 and 43% to 450 m^3 respectively.

In East Asia, export decreased slightly from 12,724 m^3 to 12,580 m^3. Export of sawntimber to China and Taiwan declined 5% to 9,585 m^3 and 17% to 383 m^3 respectively. However, export to Japan improved 2% to 1,922 m^3.

Elsewhere, exports to the US and Australia increased 14% to 1,056 m^3 and 22% to 1,255 m^3 respectively. Similarly, import from South Africa improved 5% to 3,065 m^3 from 2,923 m^3 in the previous month.

Average FOB unit value of sawntimber increased 8% to RM 1,424 per m^3. Prices of Dark Red Meranti (DRM) declined 1% to RM2,571 per m^3. Similarly, prices of Keruing fell 10% to RM1,410 per m^3. However, prices of DRM to the Netherlands decreased 8% to RM2,722 per m^3.

Plywood

Plywood exports in April 2013 were at 17,759 m^3 and valued at RM27.83 million. Cumulative exports for the period January to April showed decreases of 13% and 15% in volume and value to 58,501 m^3 valued at RM92.56 million respectively from the previous corresponding period.

Total exports to EU increased by 30.2% to 13,026 m^3. Similarly shipments to Belgium, Netherlands and UK increased 226.2%, 28.9% and 26.5% to 858 m^3, 942 m^3 and 10,667 m^3 respectively. Denmark resumed its import of 428 m^3 whilst Germany maintains its intake of 43 m^3 in April 2013.

Exports to ASEAN region increased as Singapore intakes of plywood increased by 26.8% to 1,356 m^3. However, Thailand reduced its import by 18% to 416 m^3. In East Asia, exports to Hong Kong increased by 84% to 392 m^3. In the mean time, Japan resumed its import in April 2013. However, China and South Korea did not make any purchase in April 2013.

Total exports to West Asia increased by 60% to 171 m^3 from 107 m^3 in the previous month. This is due to the increment of intake by UAE 510% to 128 m^3 in April 2013. However, Kuwait reduced its intake by 50% to 43 m^3. On the other hand, Bahrain, Saudi Arabia, Qatar and Yemen did not make any purchase in April 2013.

Elsewhere, exports to South Africa decreased by 42% to 127 m^3. Australia and New Zealand reduced their intake by 5% and 52% to 1,323 m^3 and 20 m^3 in the previous month respectively whilst, Norway, Turkey and Americas did not make any purchase in April 2013

The FOB price of plywood decreased to RM1,567 per m^3 from RM1,653 per m^3 in the previous month, a decrease of 5% from the previous month.

Veneer

Total exports of veneer for April 2013 showed an increased of 83% in volume but decreased 3.0% in value to 418 m^3 at RM0.69 million compared to the previous month respectively. The cumulative exports from January to April decreased by 33% in volume and 14% in value respectively to 1,105 m^3 valued at RM2.39 million from the previous corresponding period of last year.

Exports to Canada increased by 4% to 24 m^3 whilst Singapore and Taiwan resumed their import. On the other hand, Australia reduced its intake to only 1 m^3, a reduction of 98% from 40 m^3 in the previous month.

The FOB price of veneer declined to RM1,645 per m^3 from RM3,099 per m^3 in the previous month, a decrease of 47% from the previous month.

Medium Density Fibreboard (MDF)

Peninsular Malaysia's exports of MDF for April 2013, showed an increase of 16% in volume and 7% in value compared to the previous month. Exports totalled 97,617 m^3 at RM75.5 million.

Exports to East Asia registered a decrease of 16% to 5,162 m^3 from 6,154 m^3 in the previous month. Exports to China including Hong Kong grew 63% to 2,741m^3. However, exports to Japan recorded negative growth by 32% to 1,014 m^3, followed by Taiwan dropped by of 35% to 1,407 m^3. Almost

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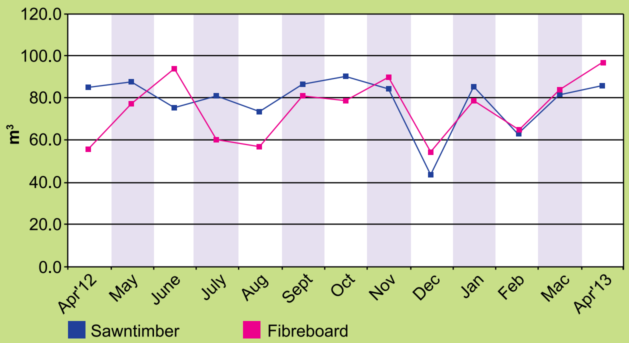
all major trading partners witnessed significant decrease in market share as lower cost-value added products from China have made their way into the Japanese market. South Korea did not make any purchases for this month.

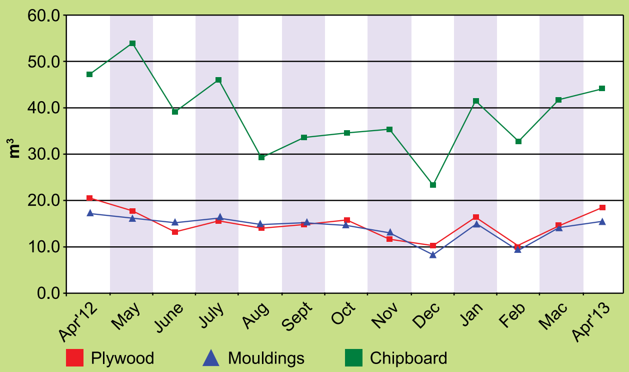
Meanwhile exports to West Asia remained positive at 34% as exports grew to 54,996 m³ from 41,103 m³ in the previous month. Export to Iran recorded the highest growth of 11,667% to 5,060 m³ followed by Jordan at 144% to 5,467 m³, Bahrain increased by 111% to 1,314 m³, UAE increased by 89% to 16,740 m³ and Syria increased by 12% to 3,439 m³. Meanwhile export to Saudi Arabia and Kuwait dropped by 10% to 14,025 m³ and 53% to 3,887 m³ respectively from the previous month.

Elsewhere, exports to the UK, US and Australia increased by 377% to 105 m³, 44% to 3,654 m³ and 27% to 2,781 m³ respectively. Export to South Africa however fell 47% to 301 m³.

Exports to the ASEAN region recorded negative growth at 9% to 15,423 m³ from 16,931 m³ in the previous month. Exports to Singapore and Philippines increased by 137% and 32% to 673 m³ and 1,088 m³ respectively. However, Viet Nam and Indonesia registered negative growth at 9% to 7,152 m³ and 29% to 5,337 m³ respectively. Reduction of importation of MDF from both countries mainly due to the effect of very low volume of exportation of furniture particularly by Indonesia to their major export market namely Middle Eastern countries.

Export of Selected Products from Peninsular Malaysia
(April 2012 - April 2013) / Volume ('000 m³)





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Mouldings

Exports of mouldings increased by 7% in volume and 11% in value to 14,995 m³ and RM43.9 million respectively. However, the cumulative exports from January to April decreased 25% in volume and 22% in value over the previous corresponding period to 53,270 m³ with a value of RM153.56 million.

Exports to the EU recorded at 6,027 m³, an increase of 5% compared to the previous month, as well as, shipments to Belgium and Germany increased by 10.6% and 28.7% to 907 m³ and 959 m³ respectively. However, the Netherlands and UK reduced its intake by 24% and 13% to 2,445 m³ and 492 m³ respectively. On the other hand, Italy did not make any purchase in April 2013.

Exports to the ASEAN region decreased as Viet Nam, Indonesia and Singapore intakes of mouldings declined by 38%, 27% and 22% to 37 m³, 22 m³ and 867 m³ respectively.

On the other hand, exports to Japan increased by 51.8% to 1,825 m³. Mean while, exports to South Korea, Taiwan, Hong Kong and China dropped by 9%, 62%, 53% and 37% to 661 m³, 34 m³, 36 m³ and 321 m³ respectively.

Elsewhere, exports to the Australia increased 25% to 2,635 m³. Similarly, exports to the US and Canada increased 25% and 61% to 1,756 m³ and 74 m³ respectively.

FOB unit value increased 3.4% from RM2,831 per m³ in the previous month to RM2,928 per m³.

Builders Joinery and Carpentry (BJC)

Total exports of BJC in April 2013 declined slightly 5.3% to RM307 million as compared to RM324 million in the corresponding month in 2012. Conversely, export to EU in April 2013 increased 5% to RM100 million as compared to RM95 million in the corresponding period 2012.

Demand from UK, Norway and Germany in April 2013 increased by 46.1%, 11.5%, and 62.9% to RM43.9 million, RM2.6 million and RM8.3 million respectively as compared to the same month in the previous year. On the other hand, export to France, Belgium, Italy, Denmark, Netherlands and Sweden registered a declined by 0.5%, 5.5%, 75.3%, 24.5%, 93.1%, and 35.6% to RM14 million, RM16.5 million, RM1.69 million, RM7.75 million, RM0.13 million and RM2.9 million respectively compared to the corresponding period last year.

In ASEAN, exports to Singapore, Thailand and Viet Nam grew by 17.5%, 7% and 98.2% valued at RM35.6 million, RM9.9 and RM8.9 million respectively.

In Asia, exports to Iran, UAE, and Taiwan increased by 943%, 5.9% and 16.4% to RM1.59 million, RM5.45 million and RM4.18 million respectively. Conversely, Japan, India, Pakistan, South Korea and Turkey intake declined by 31.3%, 13.9%, 39.7%, 51.9% and 91.9% to RM25.57 million, RM19.3 million, RM6.2 million, RM1.24 million, and RM0.4 million respectively as compared to the corresponding period last year.

Elsewhere, exports to Australia, US, Maldives and South Africa decreased by 7.9%, 25%, 60.9% and 34.7% to RM37.5 million, RM18.2 million, RM1.55 million and RM4.2 million respectively, in April 2013 as compared to April 2012.

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APRIL 2013

Logs

Prices of logs were reported to stable and the supplies remained available especially for the Light Hardwood species. Good demand for Light Hardwood species had also improved the prices of some species such as Nyatoh and Mersawa.

Logs prices for the species of Chengal stood firm at RM6,800 per tonne over the previous month. The prices of Merbau logs increased by 3% to RM2,460 per tonne whilst prices for Red Balau declined by 18% to RM2,210 per tonne as compared to last month. Prices for Keruing also fell by 22% to be quoted at RM1,477 per tonne. However, prices for Kempas and Mengkulang grew 8% and 7% to RM1,407 per tonne and RM1,150 per tonne respectively. Meanwhile, Dark Red Meranti and Mersawa were traded at RM1,438 per tonne and RM1,402 per tonne, an increased of 2% and 6% respectively over last month's level. Similarly, prices of Nyatoh increased sharply by 44% from RM900 per tonne to RM1,300 per tonne. Prices of Mixed Heavy Hardwood stood firm at RM1,100 per tonne, whilst the prices of Mixed Light Hardwood fell 4% at RM750 per tonne.

Sawntimber

The average prices of sawntimber currently recorded at lower prices due to the depressed market. Weak demand from the overseas market coupled with the slow activities in the domestic market had affected the sawntimber prices.

The price of Chengal sawntimber charted a decline of 6% in April to RM5,650 per m^3. Prices of Balau and Red Balau remained at RM3,178 per m^3 and RM2,966 per m^3 respectively, while price of Merbau up 3% to RM4,167 per m^3. Price of Kempas recorded a sharp growth by 31% over the previous month to RM2,154 per m^3. Meanwhile, price of Keruing dropped by 5% to RM1,989 per m^3 whilst price of Dark Red Meranti declined by 9% as compared to the previous month to RM2,051 per m^3. Similarly, Yellow Meranti and White Meranti prices were also declined to RM1,316 per m^3 and RM1,306 per m^3 respectively. Price of Jelutong, however, increased by 17% to RM1,674 per m^3. Sawntimber prices of Mixed Heavy Hardwood and Mixed Light Hardwood stood firm at RM1,130 per m^3 and RM777 per m^3 respectively as compared to the previous month.

Plywood

The supply of plywood was sufficient and trading activities in domestic market was reported to be slow. Prices of plywood for all sizes reported to decrease between 1-2%. Plywood of 4mm and 6mm of thicknesses decreased 2% to RM15.70 per piece and RM25.00 per piece respectively. Similarly, plywood with the thicknesses of 9mm and 12mm dropped by 1% to RM36.00 per piece and RM44.50 per piece respectively.

Medium Density Fibreboard (MDF)

Supply of MDF was reported to be sufficient to cater for the local market. Prices remained at last month's level due to slow demand from the domestic market. MDF of 4mm, 6mm, 9mm and 12mm of thicknesses were traded at RM14.50, RM21.50, RM28.50 and RM38.00 per piece respectively.

Intra-Malaysia Trade * - April 2013

Shipments of sawntimber from Sabah to Peninsular Malaysia in the fourth month of 2013, charted a decrease of 33% to 1,218 m^3, valued at RM1.6 million. Similarly, shipments of plywood declined by 18% in volume from 11,394 m^3 to 9,329 m^3 valued at RM14.7 million. Meanwhile, no export of logs and veneer were recorded for the month.

In Sarawak, export of plywood to Peninsular Malaysia grew by 3% in volume to 15,908 m^3. However, the value decreased by 2% to RM19.9 million. Shipments of sawntimber fell by 4% in volume and 9% in value to 1,889 m^3 worth at RM1.5 million. Similarly, export of veneer dropped by 30% to 4,173 m^3 valued at RM4.2 million.

Meanwhile, there were no intra trade activities from Peninsular Malaysia to Sabah and Sarawak were recorded for the month.

No intra trade from Peninsular Malaysia to Sabah and Sarawak was recorded in April 2013.

** Source: Department of Statistics, Malaysia*

INTRA-MALAYSIA TRADE - JANUARY 2013

From	Products	MARCH 2013		APRIL 2013		% Change in Volume Apr 2013/Mac 2013	% Change in Value Apr 2013/Mac 2013
		Volume (m^3)	Value (RM '000)	Volume (m^3)	Value (RM '000)		
SABAH	Logs	0	0	0	0	0	0
	Sawntimber	1,816	2,193	1,218	1,555	-33	-29
	Plywood	11,394	15,068	9,329	14,672	-18	-3
	Veneer	0	0	0	0	0	0
SARAWAK	Logs	0	0	0	0	0	0
	Sawntimber	1,968	1,658	1,889	1,503	-4	-9
	Plywood	15,419	20,380	15,908	19,911	3	-2
	Veneer	5,948	6,595	4,173	4,203	-30	-36

Source : Department of Statistics, Malaysia

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APRIL 2013

*AVERAGE DOMESTIC PRICES OF LOGS, SAWNTIMBER, PLYWOOD AND MDF IN PENINSULAR MALAYSIA APRIL 2013 (VALUE IN RM)

SPECIES	LOGS/tonne	SAWNTIMBER/m³		
	18" UP	GMS	STRIPS	SCANTLINGS
HEAVY HARDWOOD				
Chengal	6,800	5,650	2,984	7,062
Balau	2,420	3,178	1,564	2,966
Red Balau	2,210	2,966	1,977	3,185
Merbau	2,460	4,167	2,401	3,884
Mixed Heavy Hardwood	1,100	1,130	1,095	1,130
MEDIUM HARDWOOD				
Keruing	1,477	1,989	1,342	2,225
Kempas	1,407	2,154	1,448	2,013
Kapur	1,750	2,048	1,201	1,977
Mengkulang	1,150	1,695	1,363	1,497
Tualang	1,412	1,801	2,260	2,225
LIGHT HARDWOOD				
Dark Red Meranti	1,438	2,051	1,425	2,195
Red Meranti	1,419	1,614	1,374	2,542
Yellow Meranti	1,100	1,316	1,073	1,889
White Meranti	1,026	1,306	812	1,695
Mersawa	1,402	2,278	2,242	2,684
Nyatoh	1,300	1,271	1,130	1,201
Sepetir	950	1,201	989	1,165
Jelutong	1,186	1,674	1,278	1,388
Mixed Light Hardwood	750	777	765	777

MALAYSIAN RUBBERWOOD *Hevea brasiliensis*	LOGS/tonne	SAWNTIMBER/m³			
		1" X 1"	2" X 2"	3" X 3"	4" X 4"
	170	900	1,116	1,172	1,236

	4mm	6mm	9mm	12mm
PLYWOOD 4' X 8' (RM per piece)	15.70	25.00	36.00	44.50
MDF 4' X 8' (RM per piece)	14.50	21.50	28.50	38.00

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

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TIMBER ROUND-UP

Furniture

Exports of wooden and rattan furniture for the period under review in 2013 decreased 12% compared to the corresponding period of 2012. Total shipments recorded RM1.78 billion against RM2.04 billion in 2012.

Purchase of wooden furniture from Malaysia decreased 12.9% from RM2.04 billion to RM566.26 million compared to the same period in 2012. The imports of wooden furniture have dropped among most Malaysia's main wooden furniture import partner.

Imports of wooden furniture by the US decreased 10.6% from RM633.8 million to RM566.26 million as the country continues to experience slower economic growth. Japan reduced its consumption by 14% from RM188.6 million to RM 161.9 million due to competition from other countries namely China, Taiwan and Viet Nam.

The UK imports saw a decreased of 35% from RM132.5 million to RM86.4 million as it still reeling in the effects of the economic recession. Intake by Australia reduced by 6% from RM133.6 million in 2012 to RM125.9 million.

Singapore slightly reduces its import of wooden furniture by 1% from RM97.8 million to RM97.1 million. Canada's reduces its intake of wooden furniture by 29% to reach RM67.7 million. The same applied to UAE with a decrease of 16% to RM55.2 million. India's intake also decreased by 14% to RM35.7 million. However, Saudi Arabia increased its import of wooden furniture by 8% into RM 37.6 million as there is a record rise in the volume of expenditures on residential projects.

Germany reduced its wooden furniture consumption by 36% with a purchase of RM23.6 million from RM36.6 million in 2012. Russia's also reduced its consumption by 14.4% from RM36.4 million to RM31.1 million.

Rattan furniture shipments increased by 49% to RM9.8 million in April of 2013 period compared to RM6.6 million in 2012.

Singapore increased its consumption by 23% into RM1.8 million in 2013. The UK increased its import by 34%, into RM1.1 million 2013. Meanwhile the US saw positive improvements with a consumption of RM3 million worth of rattan furniture.

TECHNICAL UPDATES IN LIGNA FAIR

The group posing at LIGNA Fair.

The international trade in timber product is becoming more globalised and competitive. Therefore, the Malaysian timber industry is gearing towards meeting the challenges that come with it. One of the strategies is to mechanise processes wherever possible to optimise time, material and labour. On this note, MTIB together with three Malaysian furniture companies visited LIGNA Hanover in Germany. It was held on the 6-10 May. The main aim of the visit was to strengthen networking with machinery suppliers and explore new technology and new ways of optimising materials especially on the solid wood line.

LIGNA Hanover can be considered as one of the world's leading trade fairs for woodworking equipment and machinery as well as wood products. It is held biennially and covers the entire wood value chain, ranging from forestry to wood processing, woodworking and wood bio-energy. The official theme for this 20th year's was "Making more out of wood: Innovation, Solutions, Efficiency" attracted global market leaders to the event. LIGNA offered exhibitors and visitors the opportunity to connect with the industry, discover new products and trends and promote innovations and new ideas. Exhibitions were categorised as follows:

- Forestry
- Bio-energy from wood
- Sawmill equipment and technology
- Solid wood working machinery
- Wood materials and veneer production
- Handwork and wood craft
- Furniture
- Surfaces and light weight construction

In addition to the exhibition, informative seminars and conferences, matchmaking and Business to Business (B2B) sessions were also held. More than 1,000 exhibitors from 46 countries took part in the event which occupied about 124,000 square metres. The majority of the exhibitors were from the host country, Germany. However participation from other countries like Italy, Austria, Spain, China and Taiwan were also prominent.

About 90,000 professionals representing 100 nations attended the fair. The numbers were slightly lower than the 2011 show. However the report said that the exhibitors experienced a major turnout by professional from Eastern Europe, particularly Russia and the United States.

As for the Wood Materials, Veneer Production and Solid Woodworking categories, the leading suppliers revealed how high tech mixed with a little ingenuity could improve a company's competitiveness which was in line with the exhibitors' tag line 'Cut Your Cost' .

Explanation by Mr. Massimo Busagli from Biesse Asia (right) about the CNC 5-axis machine.

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High recovery sawmilling machine.

Mobile chipping machine combined with crushing function.

An interesting feature displayed included a diverse range of printing processes in the surface technology sector. The special "lightweight network" focused on efficient lightweight constructions. The displays included light weight furniture construction solutions which weighed up to 20% less than the conventional chipboard and was ideally suited to a wide range of applications in the furniture and interior finishing sector.

LIGNA was also the place to go to for those in the market for wood working machinery. To select the right machinery, one needs to consider the after-sales services and the design of the machines to ensure that it suits the type of material used. Also the machine capacity should be suitable to match the size of production. Major players like HOMAG, WEINIG and SCM showcased panel line machinery which were tailored for the European industry. However the choice for solid wood line which is more relevant to Malaysian industry needs was quite limited.

A total of eight officials from Malaysia visited the show. The group comprised three officers from MTIB namely Encik Kamaruddin Othman, Encik Yeoh Beng Hoong, Encik Mohd Asmawi Mohd Afandi; two officers from Terengganu Timber Industry Training Centre and three representatives from the furniture industry.

INTERZUM FAIR 2013

At the fair grounds.

Every two years INTERZUM is held in Cologne, Germany and this year the fair was held from 13 to 17 May. The Fair showcases products associated with living and office space for consumer needs. The main aim of the fair is to highlight new technology development for furniture, fittings and materials for making accessories. INTERZUM focuses on bringing more product developers, designers, architects, machine users and marketers and end-users together, to visualise and explore innovative materials and furniture items for future business development. The fair also features comprehensive furniture products and the latest machineries for upholstery and bedding.

INTERZUM 2013 covered eight building blocks with an area of 14,000 m3. It was segregated into three different themes: Materials and Nature, Function and Components, and Textile and Machineries. Under the Materials and Nature theme, products on display included veneer, flooring, interior work, decorative walls, laminated items of paper, plastic and minerals, and embossed products. Under the Function and Components theme, the displayed products included cabinetry and wardrobe, office and modular furniture, furniture fittings and accessories, lamps, lamp shades and energy-saving lightings. Under the Textile and Machineries banner, participants displayed the latest machines for upholstery and bedding, bed sheet, pillow cases and comforters produced from green materials such as bamboo, papaya, kenaf, jute and sugar cane.

Visitors could explore the innovative future living space which uses a combination of modern materials such as steel, glass, plastic, composite, leather, fabric and wood. Outstanding design concepts for the lazy chair, sofas, futon-beds, the occasional table and built-in wardrobe attracted curiosity

Exhibits at the fair.

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amongst the visitors. Various products of lamps and lighting systems to suit requirements for apartments, villa, bungalow, hotel and motel and offices were put on display with the theme: *Back to Nature*.

Five-day event attracted 53,000 visitors from 148 countries. More than 1,000 companies from 62 countries participated in INTERZUM, a majority of which came from Germany, Italy, Netherlands and Turkey.

MTIB sent a team of officers and three Bumiputera SME furniture entrepreneurs namely Encik Nik Khairi Nik Abdullah from Nik Lah Sdn. Bhd., Encik Anas Mohd Abidin from Mohd Abidin Yahya Sdn. Bhd. and Encik Zairul Anuar Paharuddin from Paharuddin Industries Sdn. Bhd. under its capacity-building programme to attend INTERZUM. The visit aimed to enhance their knowledge and ability to understand the functionality and utilisation of various types of furniture in the international market. The fair gave them a better understanding of the skill to mix materials creatively to produce innovative and marketable furniture for future living.

MTIB was represented by Encik Kamaruddin Othman, Encik Yeoh Beng Hoong and Encik Mohd Asmawi Mohd Afandi.

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possibilities for price raises in the third quarter. Softwood prices have gone up in the US and Canada. The demand is expected to improve.

TTJ Timber Trades Journal, 18 May

US Housing Starts Drop 16.5%

Construction on new US homes dropped 16.5% in April to a seasonally adjusted annual rate of 853,000 – the lowest level since November – led down by volatile apartment construction, according to data released by the US Department of Commerce. Apartment starts had jumped higher in March, and analysts expected a pull back in this category for April. Starts for single-family homes declined 2.1% in April to a seasonally adjusted annual rate of 610,000, while starts for structures with at least five units dropping 37.8% to a rate of 234,000.

Despite April's decline, longer-term trends point to rebounding activity, with overall home-construction starts in April went up 13.1% from the same period in the prior year, but far below peak levels. Economists polled by MarketWatch expect construction starts in April to decline to a rate of 965,000 from a prior March estimate of 1.036 million. The government has also revised construction data going back to 2011, and now estimates a March starts rate of 1.02 million. The government reported that building permits, a sign of future demand, rose 14.3% in April to a rate of 1.02 million, the highest level since June 2008.

MarketWatch, 16 May

VIET NAM
Timber Exports up 16.5% in First Quarter of 2013

In Viet Nam, timber exports stood at USD1.18 billion in the first quarter of 2013, a rise of 16.5% in the corresponding period of 2012. In the world, Viet Nam ranks sixth, first in Southeast Asia and second in Asia. In 2012, USD4.67 billion was generated by Viet Nam from forestry and timber exports, a climb of 15.3% year-on-year. The increase in the timber sector is largely due to manufacturing raw products and then importing 80% of overall materials valued at USD1 billion per annum. By the end of 2013, the Viet Nam Timber and Forest Product Association aim to increase export earnings to USD5.2 billion-USD5.5 billion. It is predicted that exports will increase by 11-12% to Japan, by 15% to China and by 18% to the US.

Vietnamnet, 12 May

MEETING WITH JAPANESE AUTHORITY TO PURSUE ROCB

MTIB has been certified by Standard Malaysia as a product certification body under Guide 17065 for Plywood products. The plywood certification scheme offered by MTIB to the Malaysian plywood manufacturers aims to provide a quality assurance system that can assure and enhance their acceptance in the local market.

MTIB thus expending its roles in product certification towards being a Registered Overseas Certifying Body (ROCB) which is accredited by the Ministry of Agriculture Forestry and Fisheries (MAFF) of Japan. Japan is the biggest importer of Malaysian plywood products and the procedures and the requirements to enter the market are very stringent. As the third party certification body for the Japanese market, MTIB hopes to provide a cheaper and more efficient services for the local plywood manufacturers.

Towards achieving this initiative, MTIB organised a visit to the local authority in Japan which responsible for the accrediting ROCB of plywood. The visit was held in Tokyo from 20 to 24 May. The main issues discussed with MAFF was the requirements and procedures necessary to register as an ROCB using Japan Agriculture Standards (JAS).

Food and Agriculture Materials Inspection Centre (FAMIC) is a body in Japan authorised by MAFF to conduct on-site inspections of products and assessments and surveillance for potential certifying bodies based on the application for registration. The meeting with FAMIC was to gather

Laboratory visit at the Food and Agriculture Materials Inspection Centre.

information on the criteria and procedure involved in the auditing process related to ROCB. The MTIB delegation toured the testing lab to observe the testing facilities available in FAMIC and to understand the testing requirements based on JAS standards.

The delegation also visited Japan Testing Centre for Construction Material (JTCCM) in Saitama. At JTCCM, they were briefed on the JTCCM roles as a testing and certification body for construction materials including wood-based products. With a well-established testing laboratory, JTCCM is now recognised as a testing and certification body for both JIS and JAS standards and recently was certified for ISO/IEC17025 accredited laboratories. Their visit was an important

Mr. Ohmusa (second from right) from MAFF explained about the procedure and policy of ROCB to MTIB delegates.

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ISO/TC 89 MEETS IN KUCHL

Malaysian and other international delegates posing in front of the meeting venue, Landesberufsschule, Kuchl.

The 20th Meeting of ISO/TC 89: Wood-based Panels was held from 19 to 24 May in Salzburg, Austria and it was jointly organised by the Association of Austrian Wood Industry; FH Salzburg, Kuchl Campus; Holztechnikum Kuchl; and European Panel Federation. The meeting was held in plenary which included SC1 : Wood-based panels-Fibreboard, SC 2 : Wood-based panels-Particleboard ; SC3 : Wood-based panels-Plywood and WG5 : Test Methods.

A total of seven resolutions were decided during the meeting;

- to delete PWI/16357 " Formaldehyde Conformity Systems " from its programme of work until further results of research projects are available;
- to establish a preliminary work item for ISO 12460-2 " Wood-based panels – Determination of formaldehyde release – Part 2: Formaldehyde emission by the small scale chamber based on ASTM D 6007 ";

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Samples being tested for formaldehyde emission test at the Japan Testing Centre for Construction Material in Saitama.

Briefing on the testing of lamscant products by Mr. Ichi Ozawa at JTCCM.

step in the effort for MTIB to be a third party certification body and testing laboratory for plywood.

A courtesy meeting with Tuan Hj. Ahmad Jamuli Enok, Agriculture Attache and Encik Khaled Feisal, Second Secretary, Malaysian Embassy, Tokyo was organised on 24 May. The discussion focused on the status of MTIB's Product Certification and the progress towards ROCB. Tuan Hj. Ahmad Jamuli expressed his appreciation on MTIB's efforts and hoped that MTIB would continue to enhance cooperation with Japanese authorities in pursuing product certification.

The MTIB delegation was led by Encik Zulkepli Abd Rani, Director of FIDEC. The other members were Cik Farydatul Nazly Mohd Zin, Puan Nor Liza Mat Yasok and Cik Noor Intan Saffinaz Anuar.

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Group photo of meeting delegates during a factory visit to Binderholz GmbH, an MDF company.

- to establish a new work item for the revision of ISO 12460-1: " Wood-based panels – Determination of formaldehyde release – Part 1: Formaldehyde emission by the one cubic metre chamber method " under the responsibility of WG 5 with the target date of three years;
- to form an ad-hoc group within WG 5 to prepare a revision of ISO 12460-1. This revision should take into account current test chambers used worldwide for wood-based panels;
- to submit ISO 12460-4 " Wood-based panels – Determination of formaldehyde release – Part 4: Formaldehyde emission by the desiccator method " to CEN to become an EN ISO standard through the Vienna Agreement;
- confirms the decision that the latest version of prEN 120 (Perforator method) is adopted as EN ISO DIS 12460-5 as documented in document ISO/TC 89 N 541 in the same way as the latest version of prEN 717-2 (Gas analysis method) is adopted as EN ISO DIS 12460-3 as documented in document ISO/TC 89 N 542; and
- agrees on a new work item proposal based on EN 326-2 "Wood-based panels - Sampling, cutting and inspection - Part 2: Initial type testing and factory production control" for circulation and decision by ISO/TC 89 P-members.

Under the SC 3: Wood-based panel-Plywood, the Malaysian delegates were tasked to prepare a first working draft for classification by surface appearance for plywood made from palm tree and also to assess the applicability of the plywood standards to palm tree plywood and suggest the necessary modifications for further consideration by SC3 members.

The delegates comprised experts from several countries such as Austria, Australia, New Zealand, USA, UK, Canada, France, Germany, Belgium, Malaysia, China, and Japan. They were taken for a field trip to Salzburg University of Applied Sciences. The university which was run by the timber industry in Austria offers several programmes including Master in Design and Product Management and Forest Technology & Management. The group also visited an MDF company, Binderholz GmbH as well as flooring showroom in Kuchl. The MDF industry in Austria is currently facing problems with raw materials shortage and the price of MDF in Austria is higher than in Malaysia with a cost of Euro350 per m^3.

A total of six delegates from Malaysia attended the meeting. They were representatives from MTIB, Sarawak Timber Industry Development Corporation, Forest Research Institute Malaysia, Universiti Putra Malaysia and Malaysian Timber Council. MTIB was represented by Puan Hjh. Mahsuri Mat Dris from Industry Development Division and Dr. Loh Yueh Feng from FIDEC. The next ISO/TC 89 Meeting will be held back to back with ISO/TC 165: Timber Structure in Seattle, USA.

2013 GLOBAL SKILLS CHALLENGE

Human capital development is essential to nurture K-workers in the timber industry in Malaysia. It is one of the thrusts of the National Timber Industry Policy (NATIP). As such, MTIB works closely with the Department of Skills Development in promoting and participating in skills competitions on both national and international levels. These include in training local participants for the Global Skills Challenge (GSC) in Perth, Australia 30 April-3 May. The event is held biennially before leading to the WorldSkills International Competition.

The GSC was officially launched by the Hon. Terry Redman, Minister for Training and Workforce Development, at a Welcome Function held on 29 May. Guest speakers included Jill Jamieson, Managing Director of Polytechnic West and Brian Wexham, Chair of WorldSkills Australia. Over 200 competitors took part in the event.The competition acted as a training ground for the competitors before moving towards the 42nd WorldSkill Leipzig, Germany in July 2013.

GSC welcomed competitors from WorldSkills Member countries which included China, Malaysia, Canada and the United Kingdom. Eighty-five competitors converged on Polytechnic West's Bentleigh, Carlisle and Midland campuses for four days of exhilarating competition.

Malaysia participated in nine trades as follows:-

- Refrigeration
- Air-condition
- Automotive
- Fashion Technology
- Electrical Installation
- Restaurant Services
- Cabinet Making
- Hairdressing
- Plumbing
- Cooking

Encik Muhd Zulkarnain bin Sudin concentrating on his test project.

Malaysian's candidate in the cabinet making was trained by Wood Industry Skill Development Centre (WISDEC), a training arm of MTIB. As for cabinet making, other participating countries were Canada and Australia. The test project for this competition was using a German test module which will be used similar to the one in the WSC Leipzig, Germany, July 2013.

During the competition, participants received tips and guidance from experts, experienced in the WSC. The participants had the chance to experience the real pressure of competing at the highest level. The experience also helped them identify areas of skills that require further training, to prepare for the WSC later.

GSC proved to be an invaluable training opportunity for all competitors involved, particularly for Team Malaysia, who will be vying for the first medal during the 42nd WSC to be held in Leipzig, Germany.

Competitors from Malaysia, Australia and Canada posing with their training experts.

MTIB

1973–2013
MTIB

Shaping the Timber Industry of Malaysia

One Man's Waste, Another Man's Wealth

To many of us, rice husks, coconut trunks, oil palm fronds and empty fruit bunches are nothing but a pile of residue. But did you know that they can be turned into furniture and building materials?

For many years now, the demand for wood far exceeds the supply. The biggest challenge has always been fulfilling demand without sacrificing our beautiful forests. Little did we know, the things we often regard as junk could actually be a solution to this problem. Possessing excellent mechanical and physical properties, wood made from agricultural by-products is not only durable, but also highly customisable in terms of weight, structure and density.

We at MTIB are committed in finding solutions to make both you and Mother Nature happy. With MTIB, your wastes are not wasted.

Malaysian Wood
Standing on Excellence

MTIB is committed towards enhancing the sustainable growth of the Malaysian timber industry through various initiatives and innovations.

For more information, contact:

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facebook.com/pages/Malaysian-Timber-Industry-Board

BRIEFING ON ILB IN PAHANG

Encik Mohamad Fu'ad Ishak presenting his talk.

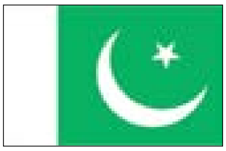
The Industry Lead Body (ILB) was established by the Department of Skill Development (DSD) to recognise industry-based skills and to develop the National Occupational Skills Standards (NOSS) through the National Dual Training Scheme Curriculum (SLDN). The ILB also serves to examine demand and supply, and technology in the work environment.

Having been appointed as the ILB in the timber industry by DSD, MTIB will play its role in accordance with DSD requirements, in line with the objectives of the National Vision Policy to transform Malaysia into a developed country by year 2020. WISDEC, in fact, has been recognised as an Accredited Training Provider under DSD and commissioned as a training centre for the implementation of programmes based on NOSS registered under the DSD. In this context, the involvement of the industry is a must in NOSS development as it will be used as a guide for training providers in producing skilled workers.

MTIB through WISDEC is continuing this ILB promotion programme in 2013 to focus on operators and timber industry players in the eastern zone of Peninsular Malaysia. WISDEC has taken the initiative to encourage industry participation with a briefing organised on 30 May in Kuantan, Pahang. The briefing was organised to give exposure of training activities conducted by MTIB, SLDN, Accreditation of Prior Achievement and the National Industry Expert Directory (DPIN).The programme was attended by representatives from the wood-based industry and higher education institutes.

MTIB was represented by three WISDEC officers, Puan Norhasniza Binti Mohd Rom, Encik Mohamad Fu'ad Ishak and Encik Amri Mustafa. The attendees were informed on training activities carried out by MTIB as well as skills certification administered by DSD. All these initiatives were aimed to increase the number of skilled workers in the industry.

Participants at the briefing.



TIMBER INDUSTRY IN PAKISTAN

Pakistan with a population of over 150 million, is emerging as a potentially challenging market. In recent years, economic performance of the country has been impressively strong; GDP has grown strongly due to the macro-economic adjustments where the government has implemented economic reforms including restructuring its bureaucracy, accelerating privatisation, increasing taxation revenue and introducing financial sector reforms. Although the overall per capita income is low, Pakistan has a long 30 million middle-class and a growing upper class with a relatively high per capita income.

Forestry

The forests of Pakistan are a main source of lumber, paper, fuelwood, latex, medicine as well as human and animal food. Other minor products include resin (a fluid in tissue of Chir Pine plant that becomes solid on exposure to the air) and 'mazri' (used for making baskets). The forests also provide for ecotourism and wildlife conservation purposes. Forests have also been planted in some areas like Thal Desert to avoid soil erosion and further desertification. Riparian zone along the river Indus have been managed to avoid excess flooding.

Forest cover about 3 million hectares, less than 4% of the country. Many forest are in the Northern Areas and Azad Kashmir, where coniferous trees predominate, but the management and exploitation of these forest is hampered by the remoteness of the land. Elsewhere, most of the native forest was destroyed before independence by population pressure, over cultivation, and overgrazing. The lack of tree cover contributes to many of the problems the agricultural sector has experienced since independence, including soil erosion, the silting of streams, flooding, and a shortage of timber and firewood.

Malaysia Timber Trade with Pakistan

Timber export to Pakistan averaged at RM80 million to RM98 million annually from 2007-2009. Exports in 2007 and 2008 were at RM79.4 million and RM82.3 million respectively. Exports decreased to RM81.7 million in 2009 and in 2010 it was at RM79.1 million. In 2011 it increased to RM99.5 million. However, in 2012, it dropped at RM79.2 million.

Malaysia's export to Pakistan ranked 33rd, valued at RM79.5 million whereas imports from Pakistan by Malaysia ranked 50th valued at only RM1.1 million. Logs, sawntimber, BJC and MDF were the main products exported, which in 2012, accounted for approximately 96% of Malaysia's total timber exports to Pakistan.

Exports of MDF, in particular have been a major commodity. In 2007, exports totalled RM43 million. In 2008, export was at RM39.9 million. In 2011, it was at RM53.1 million whereas in 2012, it was at RM33 million.

Exports of BJC also had been increasing. In 2007, exports amounted to RM9.7 million. In 2008, it increased to RM20.3 million and has been growing steadily from 2009 to 2011. In 2012, exports of BJC increased to RM28.1 million. Export of sawntimber has trended like a yo-yo.

In 2008, sawntimber export totalled RM14.4 million and in 2009 and 2010 it was at RM12.9 million and RM7.8 million. In 2011, it peaked to RM18.1 million but in 2012, it decreased to RM13.6 million.

Timber Trade of Pakistan

With an average production of 3 million m^3 of industrial roundwood, Pakistan is essentially timber self-sufficient. Timber imports remain small with logs sawntimber and fibreboard

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Malaysia: Export of Timber and Timber Products to Pakistan, 2007-2012
(Value: RM `000)

Product	2007	2008	2009	2010	2011	2012
Logs	2,625	1,415	4,117	2,793	1,930	1,359
Sawntimber	18,116	14,435	12,882	7,785	18,129	13,646
Plywood	254	1,000	741	1,146	417	902
Veneer	287	53	205	80	6	0
Mouldings	0	0	0	0	0	0
BJC	9,741	20,256	22,481	20,653	24,202	28,054
Particleboard	1,688	1,915	2,145	1,424	1,118	1,685
MDF	43,434	39,936	36,381	43,097	53,050	32,983
Furniture	3,242	3,297	2,701	2,161	623	601
Total	**79,387**	**82,307**	**81,653**	**79,139**	**99,475**	**79,230**

(Volume: m^3)

Product	2007	2008	2009	2010	2011	2012
Logs	3,238	1,515	4,852	2,664	1,582	994
Sawntimber	16,967	11,160	11,566	7,167	12,792	10,018
Plywood	191	1,135	655	1,106	359	569
Veneer	135	15	109	53	3	0

Source: Department of Statistics Malaysia and MTIB

being the main imports. Average annual imports totalled about 283,000 m^3 of logs, 265,000 m^3 of sawntimber and 94,000 m^3 of fibreboard.

Production of sawntimber totalled at about 1.4 million m^3 a year and was mainly of the non-coniferous species. In 2011, an import of 265,000 m^3, mainly non-coniferous, was recorded.

Besides sawntimber production, other wood processing activities are not significant. Production of plywood and veneer amounted to 174,000 m^3 and 217,000 m^3 respectively in 2011. Imports of plywood was at 71,000 m^3 in 2009 and in 2010 and 2011, it dropped to 2,000 m^3 respectively Similarly, fibreboard import was at 181,000m^3 in 2009 and in 2010 and 2011, it was at 77,000 m^3 and 94,000 m^3 respectively.

Pakistan: Production and Import of Timber and Timber Products
(Volume: `000 m^3)

Product	Production			Import		
	2007	2008	2009	2010	2011	2012
Industrial Roundwood	2,990	2,990	2,990	283	27	46
Sawnwood	1,381	1,381	1,381	204	224	265
Plywood	174	174	174	71	2	2
Veneer	217	217	217	27	2	2
Particleboard	76	76	76	9	9	6
Fibreboard	80	80	80	181	77	94

Source : FAO

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Tariff

Import tariffs on timber and timber products into Pakistan ranged from 0% to 35%.

Products	Tariff
Logs	0%
Sawntimber	0%
Veneer	5% - 15%
Mouldings	15%
Particleboard	15%
MDF	20%
Plywood	20%
BJC	20%
Furniture	5% - 35%

Prospects

Pakistan's forest production is not significant with only 4.2 million hectares of forest cover. With its high population growth rate, forest expansion cannot keep up with the demand for forest products.

Malaysia signed an FTA with Pakistan on 8 November 2007, which came into force on 1 January 2008. Under the Malaysia-Pakistan Closer Economic Partnership Agreement (MPCEPA), Malaysia's timber products are offered a margin of preference of 20% on 17 tariff lines of MDF, plywood, and BJC whose tariffs will be reduced to 16% by 2011 from 20% in 2008.

The rest of Malaysia's timber products are offered under fast track, sensitive track and highly sensitive track. Both countries agreed to review the MPCEPA every five years.

Pakistan will continue to be a net importer of panel products such as BJC and MDF from Malaysia for its construction and manufacturing industry.

References :

http://www.internationalforestindustries.com
http://www.woodmarkets.com
https://www.cia.gov
http://en.wikipedia.org/wiki/Pakistan
World Furniture Outlook 2011/2012, CSIL
MTIB Statistics

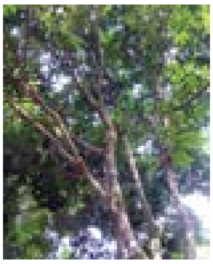
COMING EVENTS – SEPTEMBER 2013

DATE	EVENT	VENUE	ORGANISER
5-9	**FAMOUS FURNITURE FAIR 2013** International Furniture Fair, Home - Woodworking Machinery and Material Fair	Guangdong Modern International Exhibition Centre Centre, Guandong, China	Dongguan Famous Furniture Fair Association Tel : + 86 769 85900111 Fax : + 86 769 85585780 E-mail : fbf@3f.net.com
6-10	**MEUBLE PARIS 2013** International Furniture Fair Paris, Contemporary, Classic and Quaint Furniture	Paris Nord Villepinte Exhibition Centre, Roissy Cedex, France	Reed Exhibitions France Tel : + 33 (0) 147 565000 Fax : + 33 (0) 147 565100 E-mail : info@reedexpo.fr
7-10	**CIFF 2013** China International Home Furniture Fair 2013	China Import and Export Fair Pazhou Complex, Guangzhou, China	China Foreign Trade Guangzhou Exhibition Corp. Tel : + 86 20 89128183 Fax : + 86 20 89128303 E-mail : marketing@fairwindow.com.cn
8-16	**SALONE DELL'ARREDAMENTO 2013** Furniture and Home Decoration Fair	Fiera del Levante Exhibition Centre, Bari, Italy	Fiera del Levante Tel : + 39 080 5366 349 Fax : + 39 080 5366 491 E-mail : messaggi@fieradellevante.it
11-15	**FURNITURE CHINA 2013** Residential Furniture, Office, Furnishings, and Home Accessories	Shanghai New International Expo Centre, Pudong New Area, Shanghai, China	Shanghai UBM Sinoexpo International Exhibition Co. Ltd Tel : + 86 (21) 6437 1178 Fax : + 86 (21) 6437 0982 E-mail : mark.nee@ubmsinoexpo.com
12-15	**TENDENCE PRAGUE 2013** International Trade Fair for Furniture Decorations and Interior Accessories	PVA Letnany-Prague Exhibition Centre Letnany, Czech Republic	Terinvest, s.r.o. Tel : + 420 221 992 148 Fax : + 420 724 612 075 E-mail : obchod@terinvest.com
13-15	**FURNITURE SALON 2013** Furniture International Specialised Exhibition	Sport & Concert Complex aft . K. Demirchyan, Armenia	Logos Expo Centre Tel : +374 10 23 5775 Fax : +374 10 22 9815 E-mail : expo@expo.am
20-23	**MAISON BOIS 2013** Furniture and Wood in Home Decoration	Angers Parc Expo Centre, Saint Sylvain d'Anjou, France	Atlanbois Tel : +33 (0) 2 4073 6064 Fax : +33 (0) 2 4073 0301 E-mail : info@timbershow.com
26-29	**FOR INTERIOR 2013** Trade Fair Furniture and Design	PVA Letnany- Pargue Exhibition Centre Letnany, Czech Republic	ABF a.s. Tel : +420 225 121 Fax : +420 291 199 E-mail : gr@abf.cz
27-29	**WOHNIDEEN AND LIFESTYLE 2013** Exhibition of Furniture and Interior Design	HanseMesse Rostock Exhibition Centre Rostock, Germany	HanseMesse Rostock Tel : +49 (03 81) 44 000 Fax : + 49 (03 81) 44 00 200 E-mail : kontakt@stanthalle-rostock.de

TULANG DAING – SUITABLE FOR MEDIUM CONSTRUCTION UNDER COVER


Wood and texture


Tulang Daing flowers


Tulang Daing tree

Tulang Daing is categorised as medium hardwood. The timber is known as Kedang Belum in Sarawak and Tulang Daing in Peninsula. It is from Milletia spp.*, principally* M. albiflora, M. atropurpurea *and* M. vasta. *The tree is also known as Jenerek, Kayu Rindu or Urat Rusa in Peninsula Malaysia. The trees are commonly found in lowland forests which grow and thrive in infertile soil is a family of* Leguminosae. *The tree can grow up to 30 metres (98 feet) high, with buttress roots material. The bark is gray from pink to reddish-brown, while the branches are white or silvery gray.*

Wood Characteristics

Sapwood is not well-defined from the heartwood, which is pale orange-brown streaked with lighter coloured zones of parenchyma. The grain is interlocked while the texture is coarse and uneven due to the presence of abundant wood parenchyma.

Anatomical features

The vessels are moderately large and open. Vessel distribution is few or moderately few, solitary and arranged in radial groups of two to six vessels. The wood parenchyma is abundant, mainly of paratracheal type, aliform and usually markedly confluent. As for the rays, they are very fine to moderately fine, visible to the naked eye on the cross-section and tangential surfaces.

Strength Properties

The timber is classified as Strength Group 4 and the timber is classified as non-durable. Despite that the timber is considered very easy to treat. Refer **Table 1**.

Table 1: Properties information

No.	Properties	Information	
1.	PHYSICAL PROPERTIES	Air-Dry Density Shrinkage Radial Tangential Seasoning Recommended Kiln-drying	: 595 – 815kg/m³ : 1.4 % : 3.8 % : n.a : G
2.	MECHANICAL PROPERTIES	Strength Group Static Bending MOE MOR Compression Strength Perpendicular to Grain Parallel to Grain Shear Strength	: SG 4 : 14,570 N/mm² : 118 N/mm² : n.a : 56.00 N/mm² : 11.00 N/mm²
3.	DURABILITY	Non-durable	
4.	TREATABILITY	Very easy	
5.	WORKING PROPERTIES	Reported to be slightly difficult to work. Gluing Finishing Finish	 : Slightly difficult : Easy : Smooth

Common Uses

The timber is suitable for medium construction under cover, interior finishing, panelling, mouldings, partitioning, furniture, flooring, packing boxes, crates and ornamental items.

References:

100 Malaysian Timbers, MTIB

http://www.greenergy.com.sg/woods/kedang.asp

http://woodwizard.my

MTIB Moments

MTIB organised a course on Stress Management from 15-16 May 2013 at MTIB, Kuala Lumpur. Forty-nine participants comprising personnel from Ministry of Plantation Industries and Commodities, MTIB, MPOB, LGM, LKM and LKTN attended the programme. The facilitator was Encik Zulkernain Wook from Innotech Excel Consulting.

Datin Paduka Nurmala Abdul Rahim, Secretary-General of Ministry of Plantation Industries and Commodities (centre) presenting a souvenir to a representative from KB Gaharu Centre Sdn. Bhd. The photo was taken during a visit by MPIC and MTIB officials on 18 May 2013 in Pasir Mas, Kelantan.

Datin Paduka Nurmala Abdul Rahim, Secretary- General of MPIC being briefed by Encik Ab. Rahman Yusof from A. Rahman Kayukraf on the production of wood carving at his factory in Kota Bharu, Kelantan on 18 May 2013.

A courtesy call by members of Gagasan Badan Ekonomi Melayu (GABEM) to MTIB, Kuala Lumpur on 22 May 2013.

Workshop on the National Dual Training Scheme Curriculum (SLDN) Mapping was held from 25 to 28 May 2013 in Kota Kinabalu, Sabah. Fourteen participants comprising MTIB officials and representatives from the government and private sectors attended the programme.

Discussion on green advance composite for aerospace between MTIB and officials from Dassault Aviation France. Led by Dr. Jalaluddin Harun, MTIB Director-General (centre), the discussion was held on 29 May 2013 at MTIB, Kuala Lumpur.