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## Malaysia

### Solid Wood Products

### Annual

### 2007

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**Report Highlights:**

Malaysian imports of temperate hardwood lumber made a remarkable recovery with a 45% increase in 2006 with imports from the U.S. recording a 22% jump. Imports of softwood lumber rose 20% in 2006 although imports from the U.S. declined by 33%. The outlook for US temperate hardwood and softwood is bright as the Malaysian furniture and interior sectors are set for further expansion.

The Malaysian timber industry performed very well in 2006. Overall export earnings from timber products rose 8.4% to US\$6.8 billion in 2006. Malaysia's total round-wood production declined 2.4 percent to 21.4 million cubic meters (cum) in 2006. With the GOM's policy on conservation, log production is expected to decline in 2007 and 2008.

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Annual Report

Kuala Lumpur [MY1]

[MY]

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## Executive Summary

Malaysian imports of temperate hardwood lumber made a remarkable rebound with a 45% increase in 2006. Imports from the U.S. increased by 22% and accounted for 43% of Malaysia's total temperate hardwood import market in 2006. China and New Zealand made significant inroads into the Malaysian market in recent years. Imports of softwood lumber rose 20% in 2006 although imports from the U.S. declined by 33%. New Zealand proved to be the formidable competitor by emerging as the top softwood supplier to Malaysia in 2006.

The outlook for US temperate hardwood is bright. The Malaysian furniture and interior sectors are set for further expansion. The US wood industry, if properly positioned, would largely benefit from the development.

The Malaysian timber industry performed very well in 2006. Overall export earnings from timber products rose 8.4% to US\$6.8 billion in 2006. The decline in export earnings from hardwood logs and lumber was more than offset by the increase in earnings from the exports of plywood and furniture.

Malaysia's total round-wood production declined 2.4 percent to 21.4 million cubic meters (cum) in 2006, in line with the conservation efforts implemented as part of sustainable forest management. As a result, the production of lumber for the whole of Malaysia also fell 2.5% to 5.1 million cum in 2006. Malaysia's plywood production increased by 3% to 5.3 million cum while veneer production stagnated at 603,000 cum in 2006.

With the GOM's policy on conservation, log production is expected to decline in 2007 and 2008. Under the recently launched Ninth Malaysia Plan (2006-2010), the GOM expects log output to decline progressively to 19.6 million cum by 2010. Exportable log surplus is likely to decline, as more logs are processed into value-added timber products such as lumber, plywood, molding and furniture.

Table below shows that the timber product sector remained as the country's third commodity export earner after petroleum products and palm oil/palm based products.

**Malaysia's Export Earnings by Major Commodities**  
(RM billion)

	2004	2005	2006
Total Exports of which,	480.7	533.8	588.9
Petroleum Products	33.8	44.5	51.0
Palm Oil/Palm Based Products	29.1	28.4	32.2
Timber Products	19.8	21.5	23.4
Rubber	5.2	5.8	8.2

Note: Exchange rate pegged at US\$1.00 = RM3.80 from Sept 1998 to July 2005

Jun 30 2006: US\$1.00 = RM3.68

Jun 29 2007: US\$1.00 = RM3.44

**Malaysia: Export of Major Timber Products, January-December 2005-2006**  
(FOB Value in RM million)

Products	Peninsular Malaysia		Sabah		Sarawak		Malaysia	
	2005	2006	2005	2006	2005	2006	2005	2006
Logs	4	5	619	467	1841	1789	2464	2261
Lumber	1693	1580	785	762	969	936	3447	3278
Plywood	266	370	1594	1794	3715	4937	5575	7101
Veneer	17	17	127	110	276	260	420	387
Molding	463	532	156	193	79	71	698	796
Dressed Timber	na	na	na	na	na	na	0	0
Woodchips	na	na	na	na	na	na	0	0
Chipboard	169	187	19	24	45	56	233	267
M.D. Fibreboard	957	982	8	na	142	163	1107	1145
Wooden Frame	125	122	2	1	na	na	127	123
Building Joinery	799	768	35	33	327	226	1161	1027
Wooden Furniture	5702	6332	76	52	53	24	5831	6408
Rattan Furniture	57	46	6	9	na	na	63	55
Other Timber Products	285	358	35	33	61	68	381	459
Grand Total	10537	11299	3462	3478	7508	8530	21507	23307

Source: Monthly timber bulletin of Malaysian Timber Industry Board

Note: Exchange rate pegged at US\$1.00 = RM3.80 from Sept 1998 to July 2005

Jun 30 2006: US\$1.00 = RM3.68

Jun 29 2007: US\$1.00 = RM3.44

**Key Economic Indicators for Malaysia**  
(Value in US\$ million unless otherwise specified)

	2005	2006(e)	2007(f)
Income, Production, Employment:			
Population (millions)	26.1	26.6	27.2
GDP in 1987 Prices	68,788	75,143	85,962
Percent Growth	5.0%	5.5%	6.0%
GDP at Current Prices	121,986	134,578	168,196
Percent Growth	9.6%	9.2%	9.4%
Per Capita GDP (Curr. US\$)	4,763	5,388	5,806
Official Unemployment Rate	3.5%	3.5%	3.5%
Money and Prices:			
Inflation (CPI)	3.0%	3.6%	2.0-2.5%
Average Commercial Rate (BLR)	6.20%	6.72%	-
Balance of Payments:			
Merchandise Exports (FOB)	140,215	157,472	191,184
Merchandise Imports (CIF)	114,646	130,412	156,970
Exchange Rate (avg., per US\$)	3.80	3.76	3.44

Sources: Bank Negara Annual Report 2005/06, Ministry of Finance Economic Report 2005/06 and US Embassy Estimates.

Note: Exchange rate pegged at US\$1.00 = RM3.80 from Sept 1998 to July 2005

Jun 30 2006: US\$1.00 = RM3.68

Jun 29 2007: US\$1.00 = RM3.44

## Production

### -The Forest Resource Base

#### Natural Forest

According to preliminary official data, the total area of natural forest in Malaysia at the end of 2005 was estimated to be 19.3 million hectares (MH) or 59% of the total land area. The proportion of forested land is higher in Sarawak and Sabah than in Peninsular Malaysia. Approximately, 9.2 million hectares are located in Sarawak, 5.7 MH in Peninsular Malaysia and 4.4 MH in Sabah.

Of the total natural forest, Malaysia has a total of 15.3 million hectares of forested land designated as the Permanent Forest Estate (PFE) that is under sustainable management. Approximately 11.9 million hectares of the Permanent Forest Estate are production forest with the remaining 3.4 million hectares being protected, non-commercial forest. In addition, 2.3 hectares of Stateland natural forest are available for logging or conversion to other uses such as crop cultivation or housing development.

#### Plantation Forests

According to the latest estimate, total planted forests in the country amounted to about 320,000 hectares in 2006. Malaysia aims to increase its planted forest to 500,000 hectares and the plan will include the participation of the private sector, government-linked companies and state governments. In 2006, the GOM approved a US\$23 million loan grant to five companies to cultivate 16,100 hectares of forest plantation. Another US\$18 million grant was approved this year to another five companies to plant another 12,200 hectares. Under the program, the GOM lends US\$930 per hectare for planting acacia mangium and S\$1,600 per hectare for rubber wood.

### Sustainability of the Forest Resources

The Malaysian timber certification scheme, operated by the Malaysian Timber Certification Council (MTCC), continued to make some progress in 2006. Denmark, the United Kingdom, New Zealand, the Netherlands, France, Japan and Hamburg (Germany) have accepted the MTCC scheme as one of its accepted certification schemes in its Environmental Guidelines for Purchasing Tropical Timber. MTCC has on-going cooperation with other international timber certification schemes and is a member of the Program for the Endorsement of Forest Certification Schemes (PEFC).

#### Timber Products

##### --Production Trends

Malaysia's total round-wood production declined 2.4 percent to 21.4 million cubic meters (cum) in 2006, in line with the conservation efforts implemented as part of sustainable forest management. Log output in all three region namely, the state of Sarawak, state of Sabah and Peninsular Malaysia recorded declines. As a result, the production of lumber for the whole of Malaysia also fell 2.5% to 5.1 million cum in 2006. Malaysia's plywood production increased by 3% to 5.3 million cum while veneer production stagnated at 603,000 cum in 2006.

With the GOM's policy on conservation by implementing sustainable forest management, log production is expected to decline in 2007 and 2008. Under the recently launched Ninth Malaysia Plan (2006-2010), the GOM expects log output to decline progressively to 19.6 million cum by 2010. Exportable log surplus is likely to decline, as more logs are processed into value-added timber products such as lumber, plywood, molding and furniture. As a result, the GOM expects higher export earnings from wood products in 2007 in anticipation of stronger overseas demand, particularly from China, India, the Middle East and Eastern European countries.

## Market Section

### --Construction Sector

#### Industry Outlook

The Malaysian construction sector contracted by 0.5 percent in 2006. A gradual recovery in civil engineering activities was offset by a slower expansion in the residential sector. However, construction activity in the commercial sector showed a steady but slow growth during the year.

The construction sector is poised to grow under the launched Ninth Malaysia Plan (2006-2010). Under the Plan, the GOM proposed to increase spending by 17.6% on construction of highways, bridges, schools and water-related projects. Emphasis would be given for projects outside the Klang Valley including the Second Penang Bridge, the Penang Monorail and the establishment of the Iskandar Development Region (IDR) to stimulate economic growth in southern Johor at the tip of the Peninsula. Construction activity in the oil and gas sector continued to be high, supported by new investments in oil rigs, following the discovery of several new oil fields offshore the state of Sabah.

Demand for residential property showed a moderate increase in 2006. In line with its effort to boost this sector, the Government lifted the requirement for foreigners to obtain prior approval from the Foreign Investment Committee to purchase house above RM250,000.

Construction activity in the commercial sector continued its progress in 2006, driven largely by higher demand for office and retail space. Both completed office and retail space recorded increases in 2006 (see table for details) and occupancy rate for office space improving to 84.7% and retail space stagnating at 80%.

#### Market Impediments

Given the fact that Malaysia is one of the largest producers of hardwood in the world, U.S. wood products are unlikely to penetrate into the Malaysian construction sector. Moreover, Malaysia is in close proximity to timber-rich countries like Indonesia and Papua New Guinea.

#### Market Opportunities

Unless the timber resources in Malaysia, Indonesia and P.N.Guinea are exhausted, market opportunities for U.S. wood products in the construction sector are extremely limited.

### --Furniture/Interiors Sector

#### Industry Outlook

The Malaysian furniture/interiors sector showed another strong performance in 2006. A total office area of 14.5 million sq meters was completed in Malaysia in 2006. With the completion of several new shopping complexes, the retail sector also recorded an addition of 8 million sq meters over the same period. The condominium and apartment sector showed a steady upward trend. Under the Ninth Malaysia Plan, an additional 872 hotels with 76,800 rooms are projected to be completed by 2010. The GOM is on track in building a new Administrative Center at Putrajaya. To date, most of the main government buildings, 2 hotels, residential units and a shopping mall have been completed. In the pipeline are



commercial projects, diplomatic chanceries, sport and recreational components, and two more hotels. Next to Putrajaya is Cyberjaya, the new 'intelligent' city which is the base for international multimedia companies. Recently completed projects in Cyberjaya include the Multimedia University, NTT R&D Center, Shell Company, DHL Center and up-scale homes. All these developments provide opportunities for the expansion of the furniture/interiors sector and the increased use of US hardwood.

Malaysia is also fast becoming a base for engineered solid hardwood flooring for the domestic as well as overseas market. Ultraviolet-cured urethane coating system is used to form a durable and wear-resistance protection to the boards. Manufacturers are turning to use temperate hardwood and softwood veneer for the top layer.

### Supply of Office Space, Retail Space, Condominiums and Apartments in Malaysia

	Office Space		Retail Space		Condominiums & Apartments	
	"000 Square Meter	Occupancy rate (%)	"000 Square Meter	Occupancy rate (%)	Completed	New Launches
<b>2004</b>	13,600	82.5	7,168	79.4	17,841	9,061
<b>2005</b>	14,242	84.4	7,408	80.5	24,953	5,698
<b>2006</b>	14,473	84.7	7,967	79.9	45,744	3,704

Malaysia is within the top 10 exporters of furniture in the world. The demand for Malaysian furniture exports increased significantly, with export earnings rising 10 percent to RM6.4 billion (US\$1.86 billion) in 2006. The United States remains the largest single market for Malaysian wooden furniture (35%), with export earnings increasing by 6 percent. Exports to most other major countries such as Japan, the United Kingdom and Australia also recorded increases.

The Malaysian furniture industry is more optimistic for 2008. Beside the Malaysian International Furniture Fair (MIFF) held in Kuala Lumpur in early March 2008, the Malaysia Furniture Export Exhibition is also scheduled to be held in Kuala Lumpur slightly earlier. The GOM expects Malaysia's furniture export earnings to exceed US\$2 billion in 2006 and reach US\$2.7 billion by 2010.

**Malaysia: Exports of Wooden Furniture**  
(in million RM)

	<b>2004</b>	<b>2005</b>	<b>2006</b>
U.S.A.	1844	2113	2232
Japan	578	541	575
United Kingdom	556	465	497
Australia	505	465	522
Canada	205	205	247
U. A. Emirates	239	186	231
Singapore	188	165	170
Netherlands	79	99	106
Saudi Arabia	107	94	101
Ireland	84	86	85
Others	1053	1413	1643
<b>--Total</b>	<b>5438</b>	<b>5832</b>	<b>6409</b>

Note: Exchange rate pegged at US\$1.00 = RM3.80 from Sept 1998 to July 2005

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Malaysian imports of temperate hardwood lumber made a remarkable recovery with a 45% increase recorded in 2006. Imports from the U.S. increased by 22% and accounted for 43% of Malaysia's total temperate hardwood import market in 2006, compared to 51 percent in 2005. China and New Zealand made significant inroads into the Malaysian market in recent years. Malaysia is also looking towards to Eastern Europe such as Ukraine, Romania and Bulgaria as new sources of temperate lumber.

Imports of softwood lumber rose 20% in 2006 although imports from the U.S. declined by 33%. New Zealand proved to be the formidable competitor by emerging as the top softwood supplier to Malaysia in 2006. Finland and China are also serious competitors in the Malaysian market.

Malaysia: Imports of Temperate Hardwood Lumber  
(Cubic meter)

	2004	2005	2006
U.S.A.	33,179	23,515	28,576
China	2,041	3,615	9,206
Australia	4,705	5,184	6,757
Denmark	3,197	3,465	5,225
New Zealand	272	1,143	4,098
Canada	3,611	3,335	4,080
Austria	701	647	2,491
Germany	3,275	2,142	2,469
Netherlands	690	451	801
Finland	391	953	591
South Africa	984	364	584
Ukraine	624	263	440
Sweden	119	0	250
United Kingdom	0	0	215
Romania	0	233	186
Belgium	674	145	149
Bulgaria	172	85	44
France	562	160	19
<b>-- Total</b>	<b>55,197</b>	<b>45,700</b>	<b>66,181</b>

Malaysia: Imports of Temperate Softwood Lumber  
(Cubic Meter)

	2004	2005	2006
U.S.A.	4,767	4,937	3,283
New Zealand	1,604	2,562	5,179
Finland	5,684	2,112	2,379
China	601	1,000	1,218
Austria	318	630	979
Australia	0	0	956
Canada	783	508	831
Bulgaria	358	302	555
Germany	850	325	461
Slovenia	0	425	444
Hong Kong	0	0	405
Ukraine	0	521	121
Denmark	214	281	102
South Africa	194	78	38
Brazil	282	364	0
France	0	64	0
Netherlands	107	0	0
Estonia	102	0	0
<b>-- TOTAL</b>	<b>15,864</b>	<b>14,109</b>	<b>16,951</b>

## Market Impediments

Lack of knowledge of U.S. hardwood and softwood is still a constraint, especially the technical application of popular U.S. hardwoods in making furniture, paneling and flooring in Malaysia. Lack of linkage between Malaysian importers/users and US wood suppliers is often cited as another constraint. There is also still a need to reach a wider range of potential users such as interior designers and housing, shopping, restaurants and hotel/resort developers.

## Market Opportunities

Much of the success of the Malaysian furniture industry is directly attributable to coupling cheaper native woods, such as rubberwood and particleboards, with high-value veneers from the U.S. Strong increases in market share of U.S. temperate hardwood veneer and hardwood logs in past years confirms this trend. As Malaysia moves into the top ten furniture exporters in the world, the U.S. wood industry, if properly positioned, would largely benefit from the development.

Malaysian architects and interior fit-out specialists are marking waves overseas. From a simple clubhouse in Mozambique to luxurious condominiums in Dubai, entertainment outlets in Bali and a massive redevelopment in Shanghai, these professionals are making mark in various part of the world. For examples, Malaysian architects are now involved in the design and building of the Palm Islands and Burj Al Alam in Dubai; and the new Mother Teresa International Airport in Albania. It augurs well for AHEC to expose this new breed of architects and designers to the beauty of American hardwood.

The American Hardwood Export Council (AHEC) has done a commendable job of increasing the awareness of U.S. hardwoods in Malaysia. In 2006/07, its main activities were participating in a major furniture show in Kuala Lumpur and conducting trade servicing in the country. AHEC also held two regional 'Greater China and S.E.Asia' conferences involving speakers/panelists from Malaysia.

For the coming year, Post recommends the following:

1. Continue to conduct technical seminars in Malaysia on a yearly basis in order to increase the level of technical knowledge and application of U.S. hardwoods in making furniture and flooring. Another Pan Asian Architectural Seminar should be scheduled for Kuala Lumpur in 2008.
2. That AHEC bring another team of present/potential U.S. wood users/buyers to the States for an exposure/buying mission, probably to coincide with the Lumber and Building Material Expo or the International Builders' Show. This might address the constraint of the lack of a large, existing distribution network in Malaysia.
3. Encourage U.S. wood suppliers to team up with AHEC to participate at trade shows in order to increase their visibility in the local market and to make direct contact with local furniture manufacturers.
4. There is an interest in using 'Gulam' for structure among the architects in Malaysia. AF&PA should look into the possibility of conducting a seminar in Malaysia in partnership with the Malaysian Institute of Architects in 2008.

The following events will provide opportunities for U.S. trade associations and firms to learn more about, and to be involved in the Malaysian furniture market

Date: March 4-8, 2008  
Event: Malaysian International Furniture Fair (MIFF) 2008  
Venue: Putra World Trade Center & Maltrade Exhibition and Convention Center, Kuala Lumpur

MIFF is developing into a premium international furniture fair in the region and had received full accreditation since November 2000 from the Union des Foires Internationales (UFI), the world's leading authority on trade fairs. This export-oriented exhibition, showcasing the latest designs for the world-wide market, represents the largest collection of Malaysian furniture for the global market. It accounts for about 30 percent of Malaysia's total annual furniture exports. (For details, please e-mail [info@miff.com.my](mailto:info@miff.com.my))

Another smaller annual furniture show, normally held at about the same time as MIFF at the usually at the MINES Exhibition Center, Kuala Lumpur. Known as the Malaysian Furniture Export Exhibition (MAFEX), it is organized by the Mines Exhibition Management Sdn. Bhd. on behalf of the Johor Furniture Association. AHEC has participated in this show in the past. The show's website is [www.mafex.net](http://www.mafex.net).

Without concerted marketing efforts, U.S. market share will be slowly eroded by aggressive competitors, i.e. Australia, Germany and Canada for hardwood; and Finland, New Zealand, Germany, Canada and the Eastern European countries for softwood.

## --Materials Handling Sector

## Industry Outlook

Materials handling is very much tied to the manufacturing sector. In 2006, manufacturing output recorded a 6.3 percent growth. The petroleum products sector recorded the strongest growth.

## Manufacturing Production: Selected Indicators (2000=100)

	Index		Change in %	
	2005	2006	2005	2006
Electronics	143.0	160.0	5.2	11.8
Electrical Products	101.3	98.3	-0.8	-2.9
Petroleum Products	141.2	160.4	10.8	13.6
Textiles, wearing apparel and footwear	84.1	89.4	3.4	6.1
Wood and wood products	109.6	113.8	1.5	3.8
Rubber Products	133.8	143.4	-0.4	7.2
Food Products	129.7	138.3	7.6	6.7
Paper Products	119.0	134.6	7.5	13.1
Beverages	119.3	112.9	6.1	-5.3
Tobacco Products	87.8	83.6	-3.0	-4.7
Total	129.3	139.0	5.1	7.5

## Market Impediments

Malaysia has an ample supply of low-priced timber for making packaging, pallets, and crates. Furthermore, there are plenty of saw tailings and palm fibers for this sector.

## Market Opportunities

For the near term, market opportunities for US products are nil.

--Export Sector

#### Competitor Activities

The Malaysian Timber Council (MTC) together with the Malaysian Timber Industry Board (MTIB) in Peninsular Malaysia, the Sarawak Timber Industry Development Corporation (STIDC), and the Timber Association of Sabah are involved in efforts to promote the use of Malaysian timber products.

Malaysian Timber Council now has three regional marketing offices located in London, Shanghai and Dubai.

For the near term, MTC is giving more attention to China (in view of it being the venue of the 2008 Olympic), Japan (a re-awakening market with prices for wooden products trending upwards), Saudi Arabia & the Middle East (with its current construction boom), Vietnam (with its booming furniture and interior sector) and France (with a growing tropical hardwood parquet sector).

The State of Sarawak has increased its focus on India since the latter has emerged as the biggest market for its logs since 2005.

The following table provides a list of fairs and exhibitions that MTC planned to participate in 2007.

<b>International Trade Fairs 2007</b>	
<b>Date</b>	<b>Event</b>
January 23-26	NUDMA, Poznan Poland
March 28-30	DOMOTEX ASIA, Shanghai, P. R. China
April 3-6	MOSBUILD, Moscow, Russia
October 18-22	INDEX INTERFURN, Mumbai, India
Nov. 26-30	THE BIG 5 SHOW, Dubai, U.A.E.
<b>Promotion Booths 2006</b>	
<b>MTC Headquarter</b>	
May 1-6	ARCHITECT, Bangkok, Thailand
August 10-12	CONSTRUCT, Colombo, Sri Lanka
<b>MTC London Branch</b>	
January 15-20	BAU, Munich, Germany
March 13-17	SAIEDUE, Bologna, Italy
November 5-10	BATIMAT, Paris, France
<b>MTC Shanghai Branch</b>	
Feb 28-March 5	KYUNGHYANG HOUSING FAIR, Seoul, Korea



July 6-9	9 <sup>th</sup> CHINA INTERNATIONAL BUILDING & DECORATION FAIR, Guangzhou, China
October 22-23	4 <sup>rd</sup> ASEAN-CHINAEXPO 2006, Nanning, China
November 14-16	JAPAN HOME & BUILDING SHOW, Tokyo, Japan
<b>MTC Dubai</b>	
April 1-5	SAUDI BUILDING & INTERIORS EXHIBITION, Jeddah, Saudi Arabia
May 15-17	GULFBID, Manama, Bahrain
September 15-17	AFRIBUILD, Johannesburg, South Africa
<b>TRADE MISSION</b>	
April	SELLING & BUYING MISSION TO SHANGHAI & GUANGZHOU
May 19-31	MARKETING MISSION TO POLAND, ROMANIA & RUSSIA
September/October	MINISTERIAL MISSION TO THE U.K. DENMARK & FRANCE
November	MARKETING MISSION TO SUDAN & EGYPT
<b>Technology Acquisition Mission</b>	
June 12-15	TECHNOLOGY ACQUISITION MISSION TO DALIAN, CHINA
September	TECHNOLOGY ACQUISITION MISSION CZECH-REPUBLIC & ITALY
<b>Seminars And Lectures</b>	
Feb/May/Aug/Nov	MTC TIMBER TALK SERIES
March	SEMINAR ON "DEVELOPMENT A BRAND-THE FUNDAMENTAL CONSIDERATIONS"
May	SEMINAR ON HIGH PERFORMANCE COATING (HPC) TECHNOLOGY FOR FLOORING
<b>RAW MATERIAL SOURCING MISSION</b>	
April	Sabah, Malaysia
June	Papua New Guinea
August	Africa

For details or updates, please visit website: [www.mtc.com.my/fairs2007.htm](http://www.mtc.com.my/fairs2007.htm)

## Trade Section

Malaysia: Exports of Tropical Hardwood Logs, 2005  
(1,000 cubic meters)

	Pen. M'sia	Sabah	Sarawak	Total
China	12	672	946	1,631
India	0	39	1,408	1,447
Japan	0	257	841	1,097
Taiwan	0	27	718	745
Vietnam	0	156	277	434
South Korea	0	18	99	118
Indonesia	0	99	0	99
Thailand	0	51	25	76
Philippines	0	63	7	70
Hong Kong	0	17	6	23
Pakistan	0	0	10	10
Saudi Arabia	0	0	4	4
North Korea	0	2	0	2
Yemen Rep. Of.	0	0	1	1
Singapore	1	0	0	1
South Africa	0	1	0	1
<b>-- TOTAL</b>	<b>14</b>	<b>1,402</b>	<b>4,343</b>	<b>5,758</b>

Malaysia: Exports of Tropical Hardwood Logs, 2006  
(1,000 cubic meters)

	<b>Pen. M'sia</b>	<b>Sabah</b>	<b>Sarawak</b>	<b>Total</b>
India	0	19	1,378	1,398
China	12	539	637	1,188
Japan	0	216	821	1,037
Taiwan	0	0	595	595
Vietnam	0	93	212	305
South Korea	0	27	72	99
Thailand	0	38	23	61
Hong Kong	0	0	41	41
Philippines	0	16	7	23
Indonesia	0	16	0	16
Pakistan	0	0	7	7
Others	0	3	0	3
<b>-- TOTAL</b>	<b>12</b>	<b>968</b>	<b>3,792</b>	<b>4,772</b>

Malaysia: Exports of Tropical Hardwood Lumber, 2005  
(1,000 cubic meters)

	<b>Pen. M'sia</b>	<b>Sabah</b>	<b>Sarawak</b>	<b>Total</b>
U.S.A.	15	2	2	19
Thailand	320	159	372	851
China	463	15	98	576
Taiwan	21	61	148	230
Netherlands	137	49	1	187
Singapore	92	8	60	160
Japan	42	84	25	151
Philippines	0	13	130	143
South Africa	36	74	28	138
U. A. Emirates	41	0	50	91
Others	312	155	203	669
<b>-- TOTAL</b>	<b>1,479</b>	<b>620</b>	<b>1,117</b>	<b>3,216</b>

Malaysia: Exports of Tropical Hardwood Lumber, 2006  
(1,000 cubic meters)

	<b>Pen. M'sia</b>	<b>Sabah</b>	<b>Sarawak</b>	<b>Total</b>
U.S.A.	6	6	1	13
Thailand	264	94	278	636
China	94	16	101	211
Taiwan	8	67	126	202
Singapore	115	9	71	196
Netherlands	144	45	2	191
U. A. Emirates	58	0	78	136
Japan	26	72	31	130
South Africa	24	56	21	101
Philippines	0	4	91	95
South Korea	6	13	66	84
Others	229	148	160	537
<b>-TOTAL</b>	<b>975</b>	<b>530</b>	<b>1,027</b>	<b>2,532</b>

Malaysia: Exports of Tropical Hardwood Veneer, 2005  
(1,000 cubic meters)

	<b>Pen. M'sia</b>	<b>Sabah</b>	<b>Sarawak</b>	<b>Total</b>
U.S.A.	0	0	0	0
South Korea	0	59	75	134
Taiwan	0	13	75	89
Philippines	0	11	44	55
China	0	5	38	44
Japan	0	18	20	38
Indonesia	1	0	32	33
Hong Kong	0	0	7	7
Thailand	0	2	4	6
Other's	4	3	1	8
<b>-- TOTAL</b>	<b>6</b>	<b>111</b>	<b>297</b>	<b>414</b>

Malaysia: Exports of Tropical Hardwood Veneer, 2006  
(1,000 cubic meters)

	Pen. M'sia	Sabah	Sarawak	Total
U.S.A.	0	0	0	0
Syria	0	0	87	87
South Korea	0	51	0	51
Singapore	0	0	46	46
Thailand	0	0	33	33
New Zealand	0	0	26	26
Canada	0	0	25	25
Hong Kong	0	1	20	21
Taiwan	0	13	5	18
Japan	0	13	0	13
Philippines	0	3	0	4
China	0	1	3	4
Other's	3	1	0	4
<b>TOTAL</b>	<b>4</b>	<b>83</b>	<b>245</b>	<b>332</b>

Malaysia: Exports of Tropical Hardwood Plywood, 2005  
(1,000 cubic meters)

	<b>Pen. M'sia</b>	<b>Sabah</b>	<b>Sarawak</b>	<b>Total</b>
U.S.A.	1	272	221	494
Japan	2	382	1,724	2,108
South Korea	2	212	255	468
Taiwan	3	171	218	391
United Kingdom	69	15	65	149
China	2	1	109	112
Hong Kong	0	28	33	61
Singapore	19	15	31	65
Thailand	19	26	14	59
Yemen Rep. of	0	7	55	62
Others	79	203	285	567
<b>-- Total</b>	<b>196</b>	<b>1,332</b>	<b>3,009</b>	<b>4,536</b>



Malaysia: Exports of Tropical Hardwood Plywood, 2006  
(1,000 cubic meters)

	<b>Pen. M'sia</b>	<b>Sabah</b>	<b>Sarawak</b>	<b>Total</b>
U.S.A.	1	245	205	451
Japan	3	427	2,097	2,527
South Korea	0	237	245	483
Taiwan	2	139	240	381
United Kingdom	153	12	68	233
China	5	1	95	100
Singapore	15	14	31	60
Thailand	13	33	9	56
Yemen Rep. of	0	0	55	55
Saudi Arabia	2	24	24	50
Hong Kong	0	23	8	31
Others	45	128	349	522
<b>Total</b>	<b>239</b>	<b>1,283</b>	<b>3,428</b>	<b>4,950</b>

## Tropical Hardwood Logs PS&amp;D Table

PSD Table									
Country	Malaysia								
Commodity	Tropical Hardwood Logs						(1000 CUBIC METERS)		
	2006	Revised		2007	Estimate		2008	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
Market Year Begin		01/2006	01/2006		01/2007	01/2007		01/2008	01/2008
Production	23000	0	21400	0	0	20500	0	0	20000
Imports	75	0	43	0	0	40	0	0	50
Total Supply	23075	0	21443	0	0	20540	0	0	20050
Exports	5320	0	4772	0	0	3770	0	0	3050
Domestic Consumption	17755	0	16671	0	0	16770	0	0	17000
Total Distribution	23075	0	21443	0	0	20540	0	0	20050

## Tropical Hardwood Logs Import Trade Table

Import Trade Matrix			
Country	Malaysia		
Commodity	Tropical Hardwood Logs		
Time Period	Jan-Dec	Units:	1000 CUM
Imports for:	2005		2006
U.S.		U.S.	
Others		Others	
Burma	25	Burma	31
Thailand	7	Gabon	6
Philippines	5	Thailand	4
Indonesia	4	Indonesia	2
Total for Others	41		43
Others not Listed			
Grand Total	41		43

## Tropical Hardwood Logs Export Trade Table

<b>Export Trade Matrix</b>			
<b>Country</b>	Malaysia		
<b>Commodity</b>	Tropical Hardwood Logs		
Time Period	Jan-Dec	Units:	1000 CUM
Exports for:	2005		2006
U.S.		U.S.	
Others		Others	
China	1631	India	1398
India	1447	China	1188
Japan	1097	Japan	1037
Taiwan	745	Taiwan	595
Vietnam	434	Vietnam	305
South Korea	118	South Korea	99
Indonesia	99	Thailand	61
Thailand	76	Hong Kong	41
Philippines	70	Philippines	23
Hong Kong	23	Indonesia	16
Total for Others	5740		4763
Others not Listed	18		9
Grand Total	5758		4772

## Tropical Hardwood Lumber PS&amp;D Table

<b>PSD Table</b>									
<b>Country</b>	<b>Malaysia</b>								
<b>Commodity</b>	<b>Tropical Hardwood Lumber</b>						<b>(1000 CUBIC METERS)</b>		
	2006	Revised		2007	Estimate		2008	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
<b>Market Year Begin</b>		01/2006	01/2006		01/2007	01/2007		01/2008	01/2008
Production	5235	0	5229	0	0	5200	0	0	5250
Imports	650	0	267	0	0	250	0	0	230
Total Supply	5885	0	5396	0	0	5450	0	0	5480
Exports	2280	0	2532	0	0	2750	0	0	2680
Domestic Consumption	3605	0	2864	0	0	2700	0	0	2800
Total Distribution	5885	0	5396	0	0	5450	0	0	5480

## Tropical Hardwood Lumber Import Trade Table

Import Trade Matrix			
Country	Malaysia		
Commodity	Tropical Hardwood Lumber		
Time Period	Jan-Dec	Units:	1000 CUM
Imports for:	2005		2006
U.S.		U.S.	
Others		Others	
Indonesia	377	Indonesia	186
Thailand	96	Thailand	67
Philippines	18	Burma	7
Burma	12	Philippines	3
Brazil	2	Singapore	2
P. New Guinea	1	Brazil	1
Singapore	1	P. New Guinea	1
Total for Others	507		267
Others not Listed			
Grand Total	507		267

## Tropical Hardwood Lumber Export Trade Table

<b>Export Trade Matrix</b>			
<b>Country</b>	Malaysia		
<b>Commodity</b>	Tropical Hardwood Lumber		
Time Period	Jan-Dec	Units:	1000 CUM
Exports for:	2005		2006
U.S.	19	U.S.	13
Others		Others	
Thailand	851	Thailand	636
China	576	China	211
Taiwan	230	Taiwan	202
Netherlands	187	Singapore	196
Singapore	160	Netherlands	191
Japan	151	U. A. Emirates	136
Philippines	143	Japan	130
South Africa	138	South Africa	101
U. A. Emirates	91	Philippines	95
South Korea	69	South Korea	84
Total for Others	2596		1982
Others not Listed	601		537
Grand Total	3216		2532

## Temperate Hardwood Lumber PS&amp;D Table

<b>PSD Table</b>									
<b>Country</b>	<b>Malaysia</b>								
<b>Commodity</b>	<b>Temperate Hardwood Lumber</b>						<b>(1000 CUBIC METERS)</b>		
	2006	Revised		2007	Estimate		2008	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
<b>Market Year Begin</b>		01/2006	01/2006		01/2007	01/2007		01/2008	01/2008
Production	0	0	0	0	0	0	0	0	0
Imports	65	0	66	0	0	64	0	0	70
Total Supply	65	0	66	0	0	64	0	0	70
Exports	0	0	0	0	0	0	0	0	0
Domestic Consumption	65	0	66	0	0	64	0	0	70
Total Distribution	65	0	66	0	0	64	0	0	70



## Temperate Hardwood Lumber Import Trade Table

Import Trade Matrix			
Country	Malaysia		
Commodity	Temperate Hardwood Lumber		
Time Period	Jan-Dec	Units:	CUM
Imports for:	2005		2006
U.S.	23515	U.S.	28576
Others		Others	
Australia	5184	China	9206
China	3615	Australia	6757
Denmark	3465	Denmark	5225
Canada	3335	New Zealand	4098
Germany	2142	Canada	4080
New Zealand	1143	Austria	2491
Finland	953	Germany	2469
Austria	647	Netherlands	801
Netherlands	451	Finland	591
South Africa	364	South Africa	584
Total for Others	21299		36302
Others not Listed	886		1303
Grand Total	45700		66181

## Hardwood Veneer PS&amp;D Table

<b>PSD Table</b>									
<b>Country</b>	<b>Malaysia</b>								
<b>Commodity</b>	<b>Hardwood Veneer</b>						<b>(1000 CUBIC METERS)</b>		
	2006	Revised		2007	Estimate		2008	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
<b>Market Year Begin</b>		01/2006	01/2006		01/2007	01/2007		01/2008	01/2008
Production	0	0	603	0	0	600	0	0	610
Imports	0	0	31	0	0	20	0	0	20
Total Supply	0	0	634	0	0	620	0	0	630
Exports	0	0	332	0	0	400	0	0	380
Domestic Consumption	0	0	302	0	0	220	0	0	250
Total Distribution	0	0	634	0	0	620	0	0	630

## Hardwood Veneer Import Trade Table

Import Trade Matrix			
Country	Malaysia		
Commodity	Hardwood Veneer		
Time Period	Jan-Dec	Units:	1000 CUM
Imports for:	2005		2006
U.S.	3	U.S.	5
Others		Others	
China	9	China	12
Finland	4	Taiwan	5
Taiwan	3	Finland	3
New Zealand	2	Germany	1
Germany	2	New Zealand	1
Canada	1	Thailand	1
Hong Kong	1	Vietnam	1
Japan	1	Canada	1
Total for Others	23		25
Others not Listed			1
Grand Total	26		31

## Hardwood Veneer Export Trade Table

<b>Export Trade Matrix</b>			
<b>Country</b>	Malaysia		
<b>Commodity</b>	Hardwood Veneer		
Time Period	Jan-Dec	Units:	1000 CUM
Exports for:	2005		2006
U.S.		U.S.	
Others		Others	
South Korea	134	Syria	87
Taiwan	89	South Korea	51
Philippines	55	Singapore	46
China	44	Thailand	33
Japan	38	New Zealand	26
Indonesia	33	Canada	25
Hong Kong	7	Hong Kong	21
Thailand	6	Taiwan	18
		Japan	13
		Philippines	4
Total for Others	406		324
Others not Listed	8		8
Grand Total	414		332

## Hardwood Plywood PS&amp;D Table

<b>PSD Table</b>									
<b>Country</b>	<b>Malaysia</b>								
<b>Commodity</b>	<b>Hardwood Plywood</b>						(1000 CUBIC METERS)		
	2006	Revised		2007	Estimate		2008	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
<b>Market Year Begin</b>		01/2006	01/2006		01/2007	01/2007		01/2008	01/2008
Production	5280	0	5317	0	0	5350	0	0	5400
Imports	3	0	42	0	0	50	0	0	50
Total Supply	5283	0	5359	0	0	5400	0	0	5450
Exports	4600	0	4950	0	0	4750	0	0	4750
Domestic Consumption	683	0	409	0	0	650	0	0	700
Total Distribution	5283	0	5359	0	0	5400	0	0	5450

## Hardwood Plywood Import Trade Table

Import Trade Matrix			
Country	Malaysia		
Commodity	Hardwood Plywood		
Time Period	Jan-Dec	Units:	1000 CUM
Imports for:	2005		2006
U.S.		U.S.	
Others		Others	
China	14	China	42
Total for Others	14		42
Others not Listed	1		
Grand Total	15		42

## Hardwood Plywood Export Trade Table

<b>Export Trade Matrix</b>			
<b>Country</b>	Malaysia		
<b>Commodity</b>	Hardwood Plywood		
Time Period	Jan-Dec	Units:	1000 CUM
Exports for:	2005		2006
U.S.	494	U.S.	451
Others		Others	
Japan	2088	Japan	2527
South Korea	468	South Korea	483
Taiwan	391	Taiwan	381
United Kingdom	149	United Kingdom	233
Egypt	114	China	100
China	112	Singapore	60
Jordan	71	Thailand	56
Philippines	65	Yemen Rep. Of	55
Singapore	65	Saudi Arabia	50
U. A. Emirates	63	Hong Kong	31
Total for Others	3586		3976
Others not Listed	456		523
Grand Total	4536		4950