



NATURAL RESOURCES CANADA - INVENTIVE BY NATURE

# Global Forest Sector Trade Flows

Megaforestais 2015

Peru

Mark Boyland  
Canadian Forest Service



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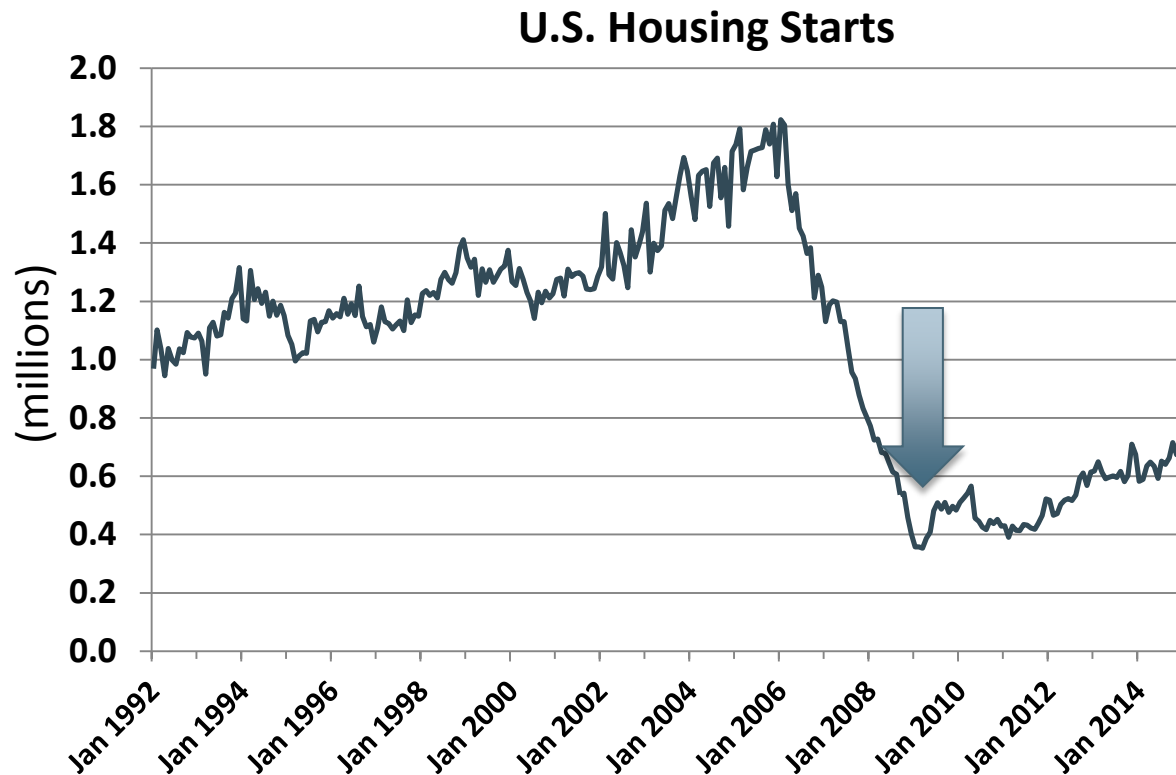
# Outline

1. The economy
2. The forest sector is increasingly global
3. Graphic paper is dying
4. Southern pulp emerging
5. Industry is focused on markets



# The Great Recession

- Global financial crisis
  - Remember CDOs?
- Forest products were at the leading edge

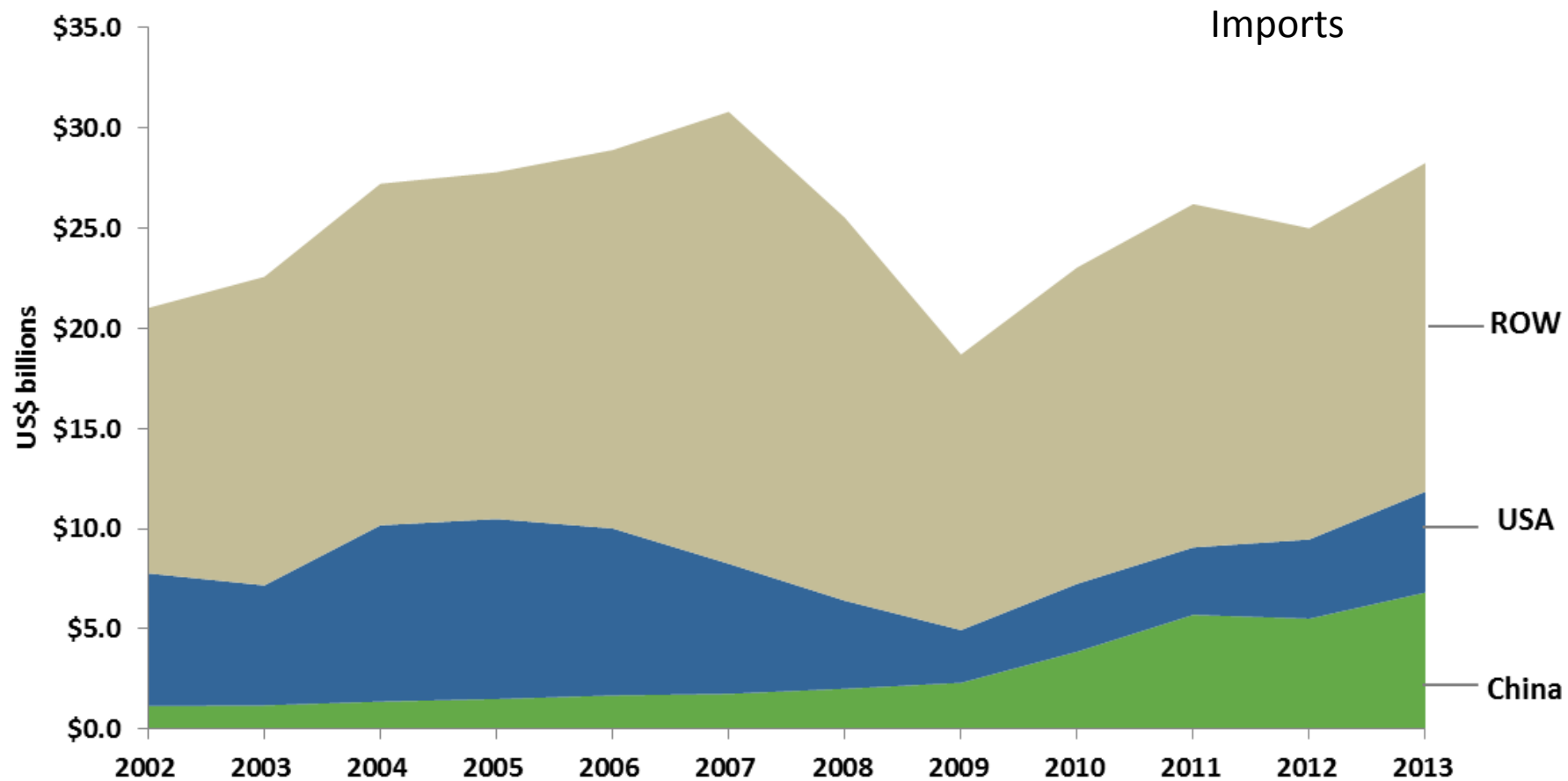


# Trends in Forest Products Trade

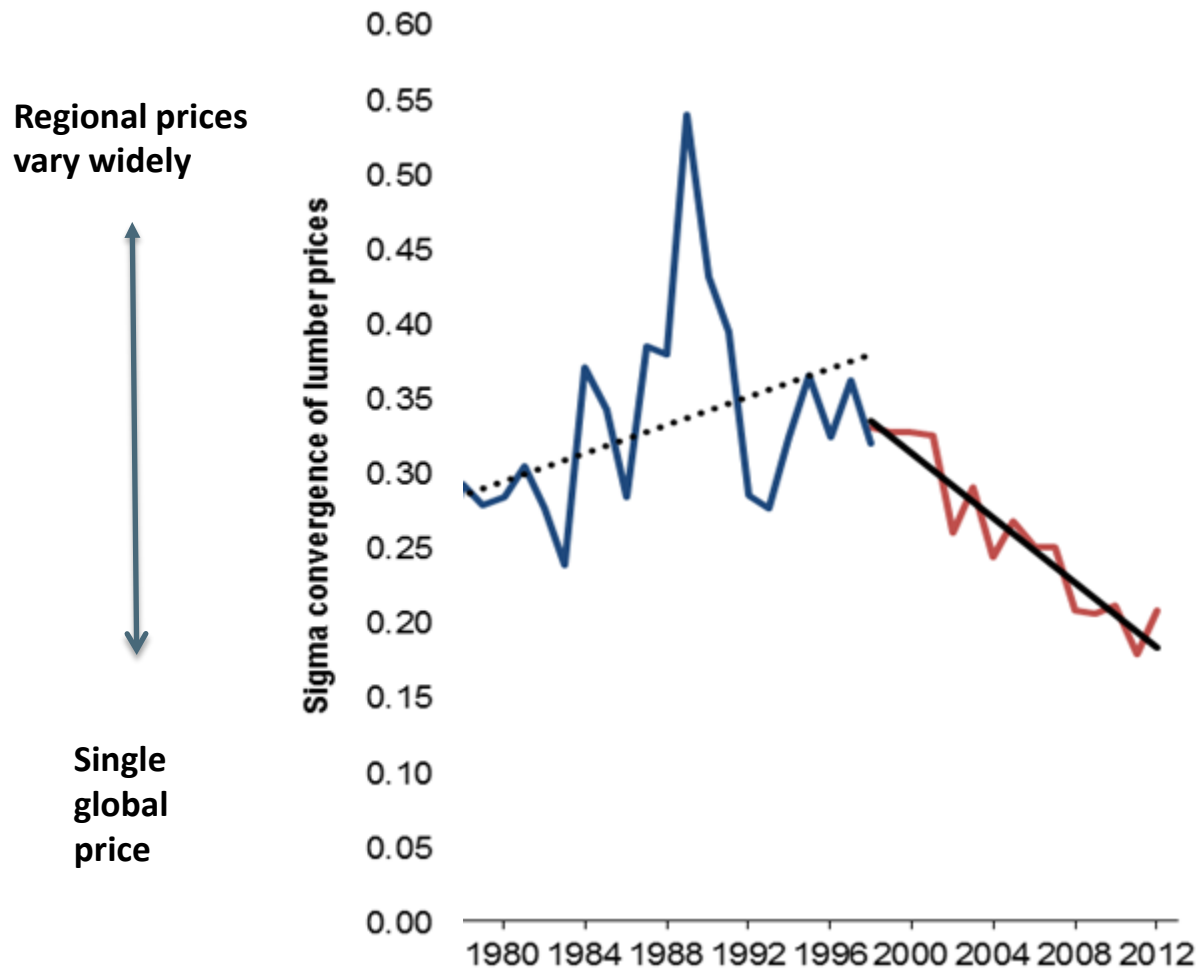
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# Lumber trade is now global

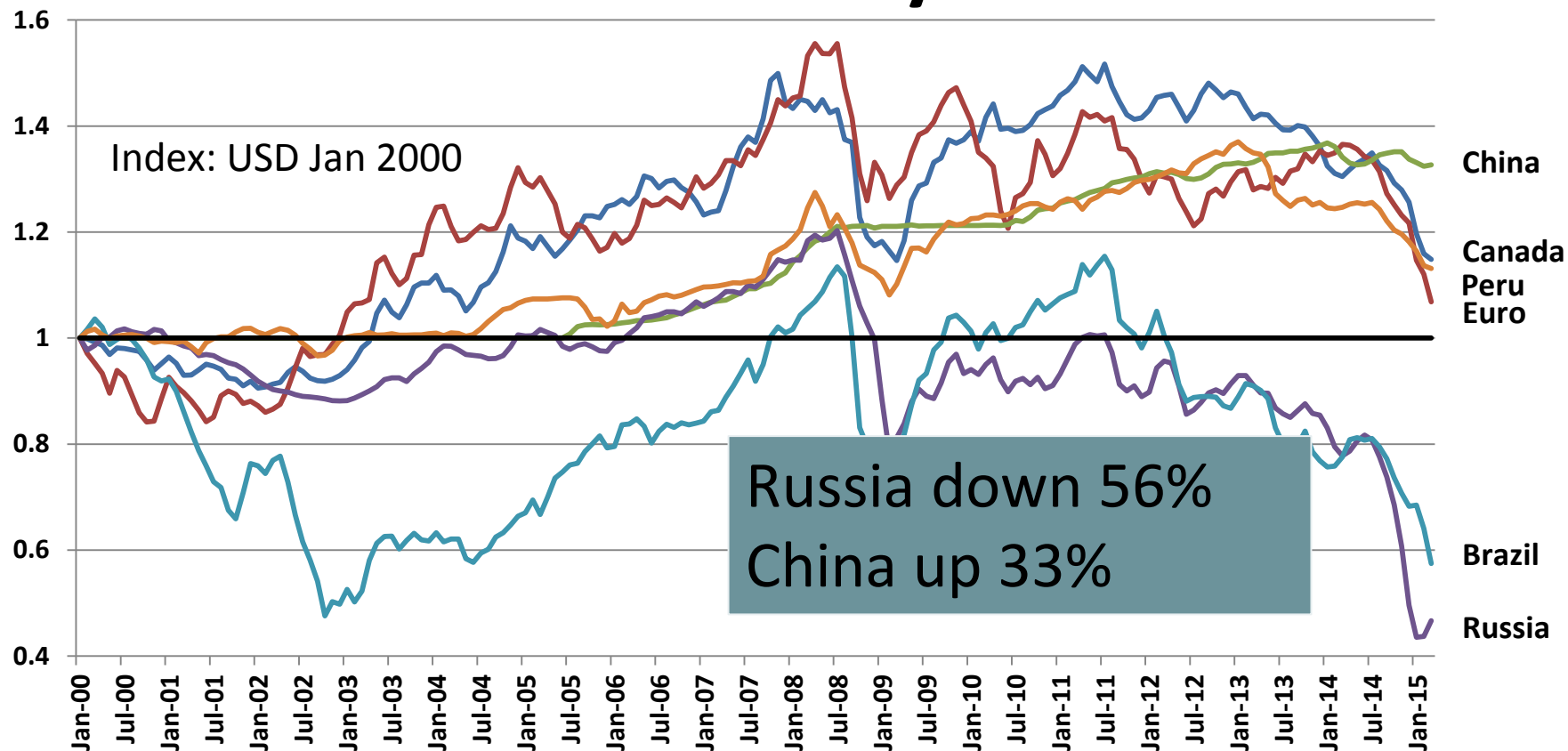


# A global lumber price is emerging.



# What drives competitiveness?

## Currency.



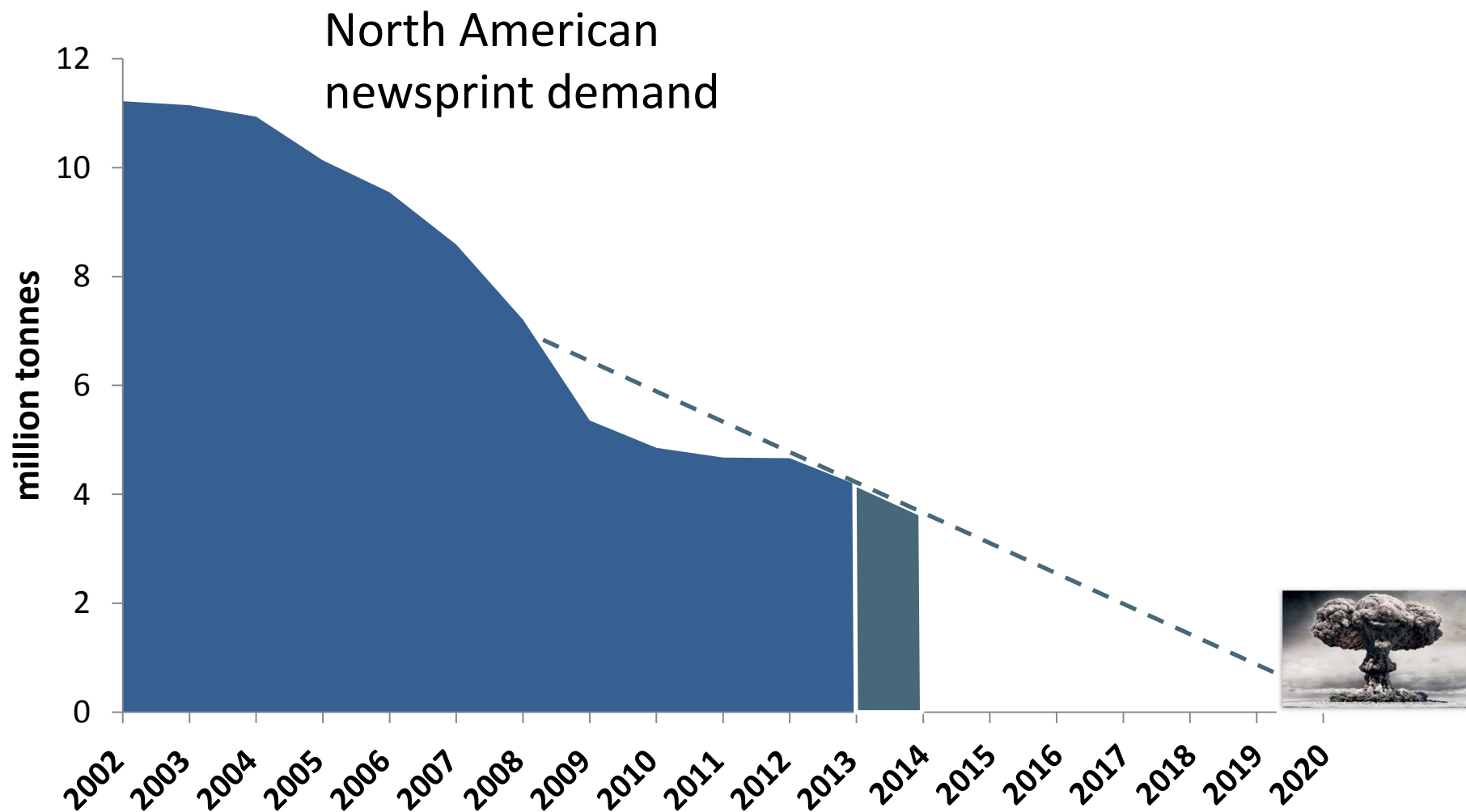
# Trends in Forest Products Trade

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# The future of graphic paper

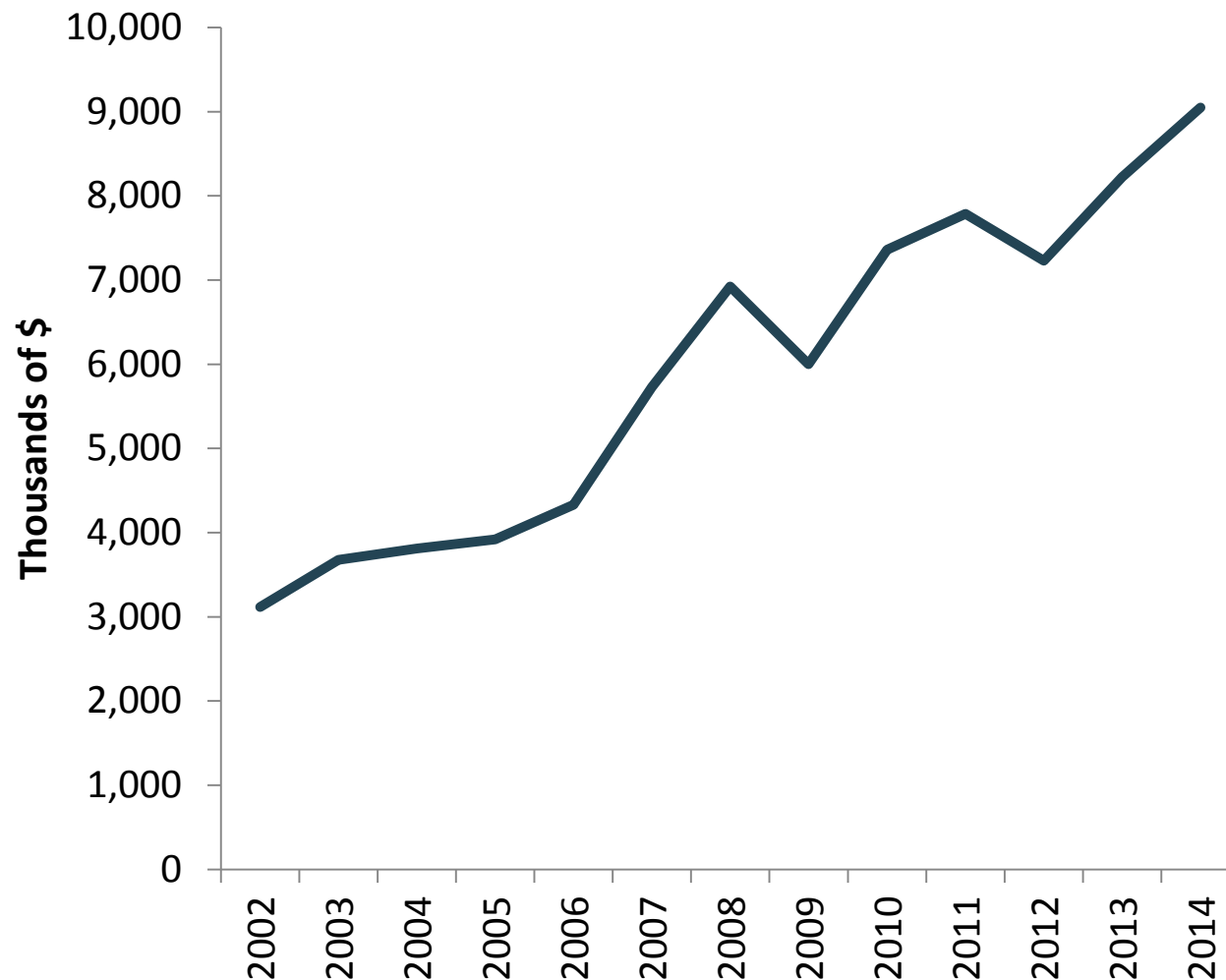


# Trends in Forest Products Trade

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# South American pulp exports



# Trends in Forest Products Trade

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# “A marketplace without boundaries”

## - 2015 PwC's Annual Global CEO Survey

### Potential threats to growth prospects:

Geopolitical uncertainty | 78

High or volatile energy costs | 74

Protectionist tendencies of national governments | 64



### CEOs think government priorities should be:

Internationally competitive and efficient taxes | 69

Skilled and adaptable workforce | 67

Innovation ecosystem | 22



### Restructuring activities planned this year:

Cost reduction | 90

Enter a new strategic alliance or joint venture | 47



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# Conclusions

The forest sector is even more global

- This means more diverse markets (good!)
- But also external risk
  - Currency
  - Geopolitical events

Structural changes will continue

- Demise of graphic paper (newsprint)
- Cheaper fibre sources & technology
- Bioeconomy?



# Annex



# Solid wood products

Lumber

Panels

Engineered wood products

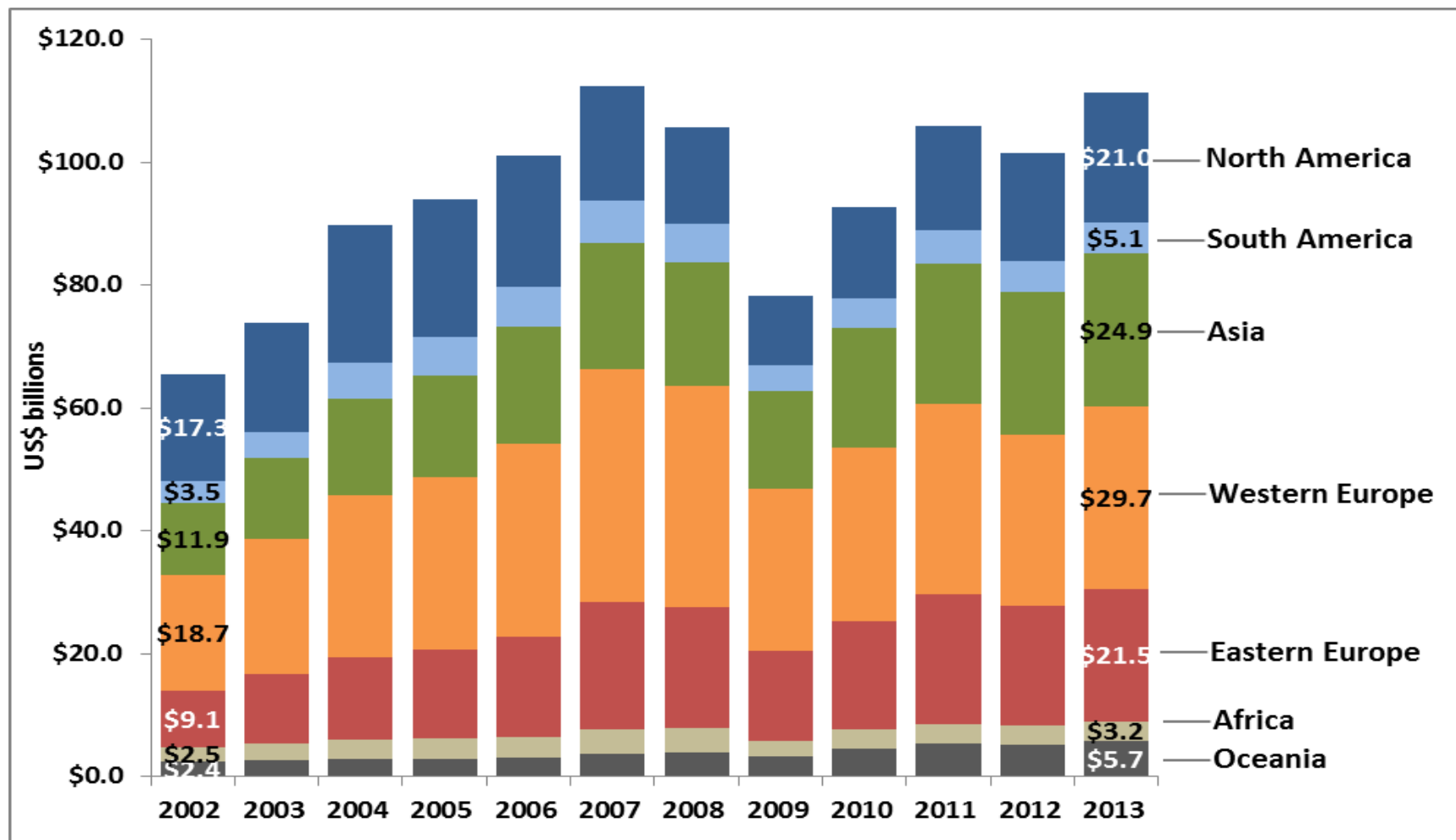
Some finished wood products





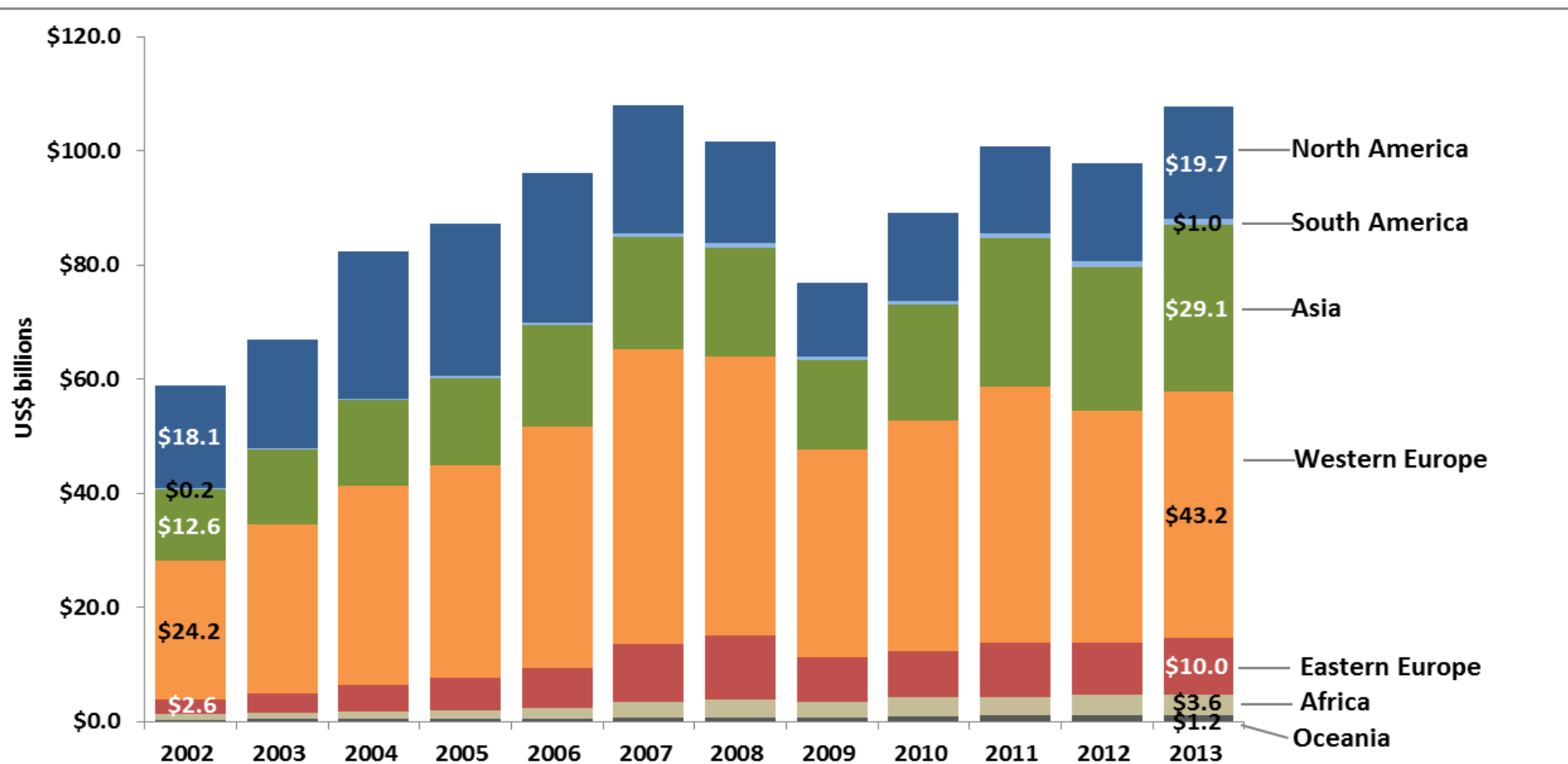
# Trade in solid wood products

## Exports



# Trade in solid wood products

## Imports



# Major solid wood product exporters

World Rank	Country	Value	% of total	Share of country exports	Largest export
1	China	12.75	11.8%	0.6%	Panels
2	Canada	12.33	11.4%	2.7%	Lumber
3	United States	8.97	8.3%	0.6%	Fiberboard
4	Germany	8.75	8.1%	0.6%	Lumber
5	Russia	6.98	6.4%	2.4%	Lumber
6	Austria	4.95	4.6%	3.0%	Lumber
7	Sweden	4.52	4.2%	2.7%	Lumber
8	Poland	4.10	3.8%	2.0%	Joinery
9	Indonesia	3.64	3.4%	2.0%	Panels
10	Philippines	3.21	3.0%	5.9%	Lumber
18	Brazil	2.00	1.8%	0.8%	Wood siding
25	Australia	1.01	0.9%	0.4%	Fuel Wood
35	Mexico	0.41	0.4%	0.1%	Unspecified
38	India	0.32	0.3%	0.1%	Unspecified
41	Peru	0.15	0.1%	0.4%	Lumber

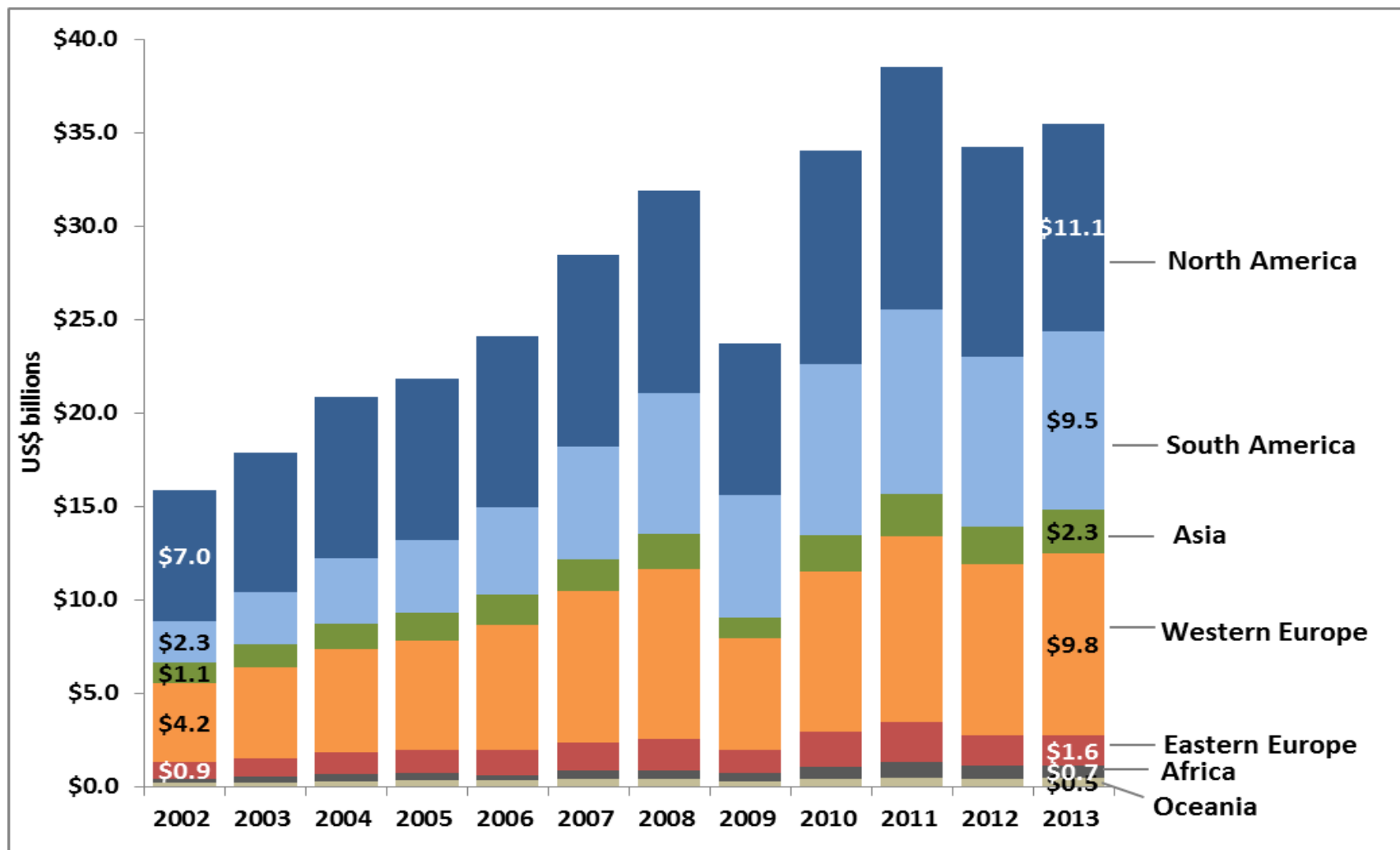


# Market Pulp

Wood pulp



# Trade in Market Pulp Exports

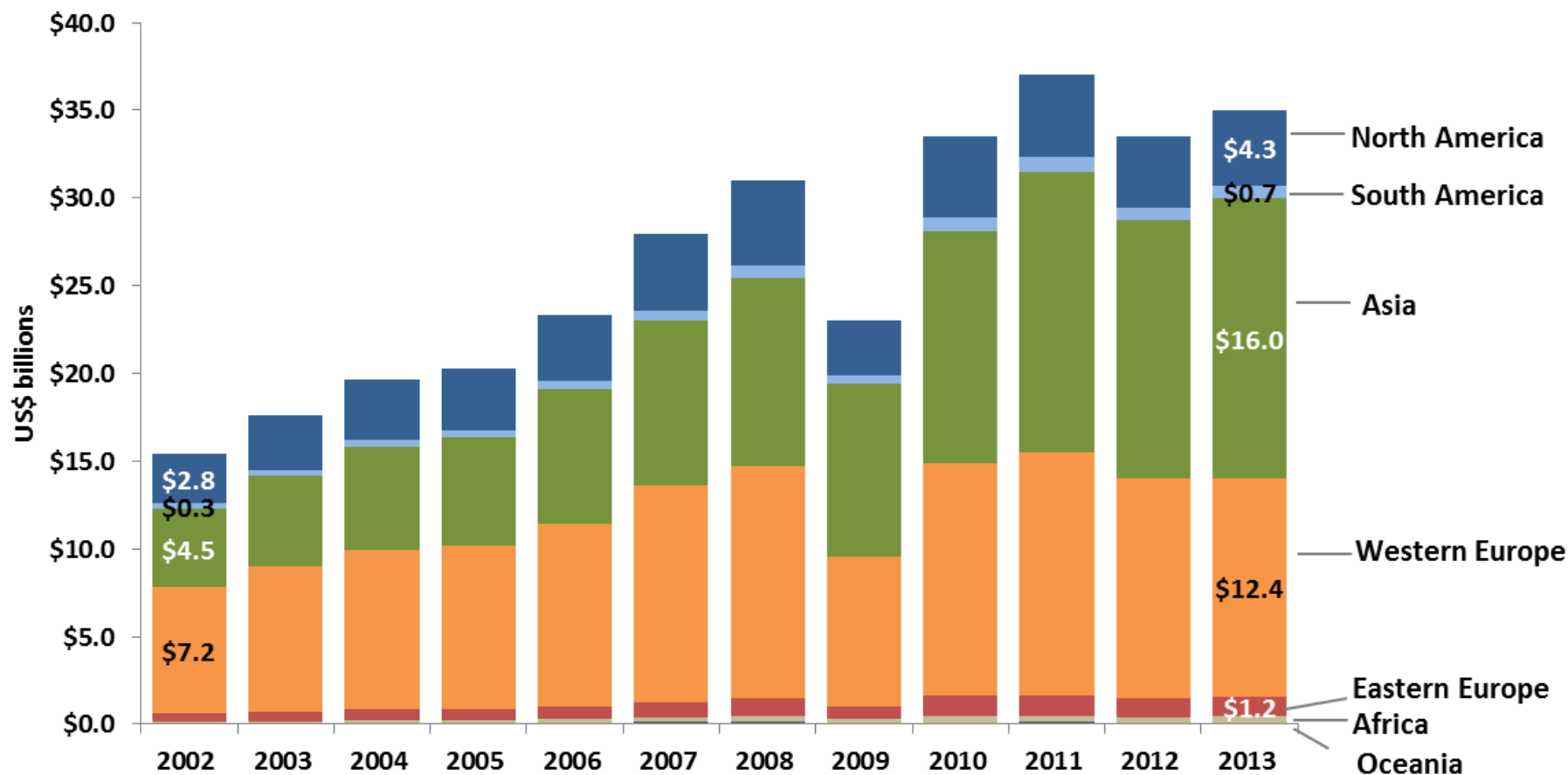


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# Trade in Market Pulp Imports



# Major market pulp exporters

World Rank	Country	Value (\$US billion)	% total of	Share of country exports	Largest export
1	United States	8.97	20.1%	0.6%	BSK
2	Canada	6.82	15.3%	1.5%	BSK
3	Brazil	5.19	11.6%	2.1%	BHK
4	Chile	2.80	6.3%	3.7%	BSK
5	Sweden	2.67	6.0%	1.6%	BSK
6	Finland	2.10	4.7%	2.8%	BSK
7	Netherlands	2.09	4.7%	0.3%	BHK
8	Indonesia	1.85	4.1%	1.0%	BHK
9	Germany	1.54	3.4%	0.1%	BSK
10	Japan	1.14	2.5%	0.2%	products for recycling
11	Russia	1.13	2.5%	0.4%	BSK
22	Australia	0.22	0.5%	0.1%	products for recycling
28	China	0.11	0.2%	0.0%	Coton Linter Pulp
30	Mexico	0.08	0.2%	0.0%	products for recycling
44	Peru	0.00	0.0%	0.0%	products for recycling
46	India	0.00	0.0%	0.0%	-



# Paper

Products made from wood pulp

Newsprint

Printing and writing paper

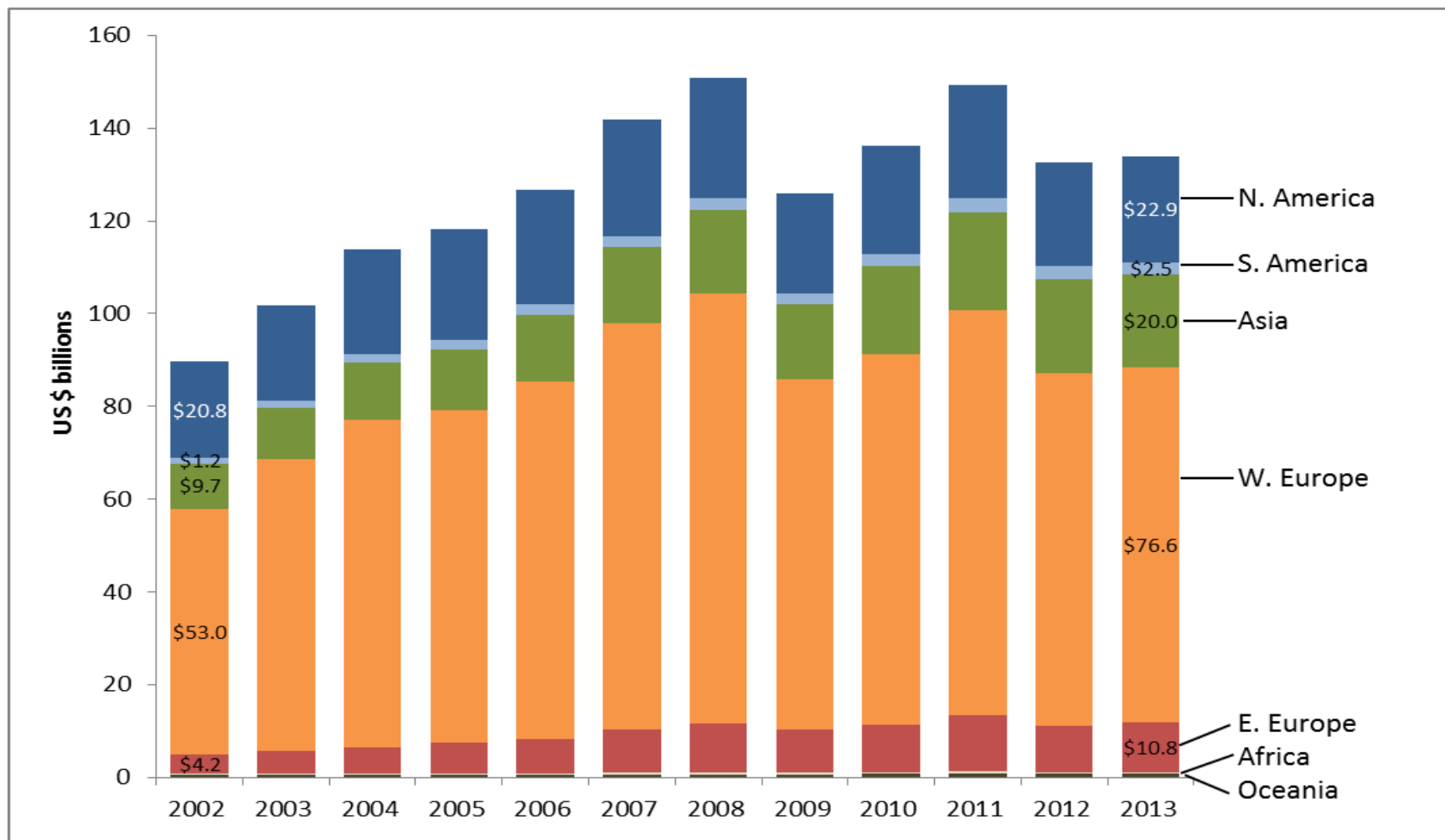
Wrapping and packaging paper

Tissue and hygienic products

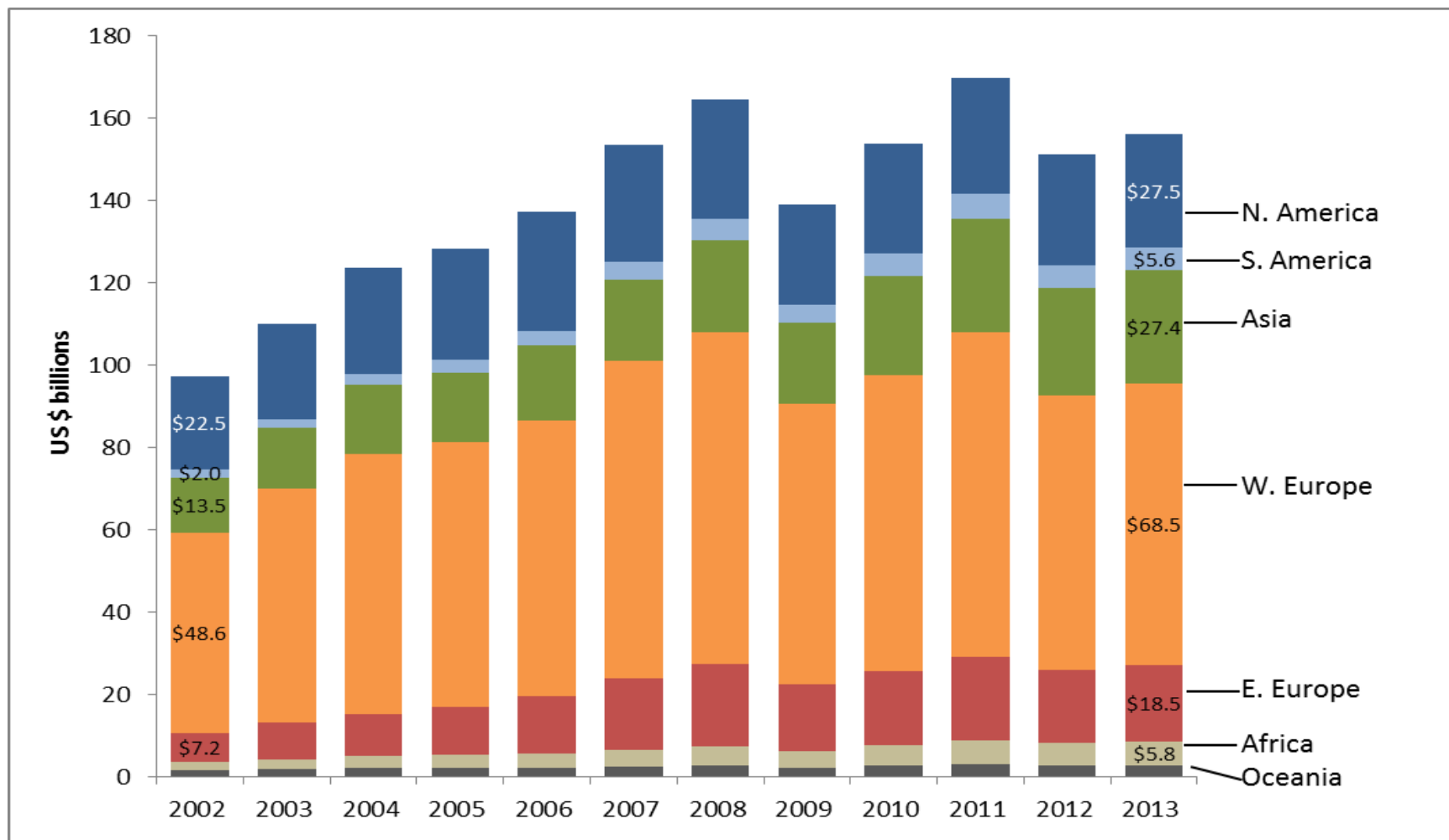




# Trade in Paper Exports



# Trade in Paper Imports



# Major paper exporters

World Rank	Country	Value (\$US billion)	% of total	Share of country exports	Largest export
1	Germany	21.93	14.0%	1.5%	Packaging
2	United States	16.40	10.4%	1.0%	Packaging
3	China	16.00	10.2%	0.7%	Packaging
4	Sweden	10.81	6.9%	6.5%	Packaging
5	Finland	9.91	6.3%	13.3%	Packaging
6	Canada	8.52	5.4%	1.9%	Newsprint
7	Italy Istat	7.63	4.9%	1.5%	Packaging
8	France	7.31	4.7%	1.3%	Packaging
9	Austria	5.41	3.4%	3.2%	Packaging
10	Netherlands	5.20	3.3%	0.8%	Packaging
14	Indonesia	3.76	2.4%	2.1%	Office paper
19	Brazil	1.97	1.3%	0.8%	Office paper
21	Russia	1.62	1.0%	0.6%	Newsprint
23	Mexico	1.35	0.9%	0.4%	Packaging
25	India	1.05	0.7%	0.3%	Office paper
28	Australia	0.89	0.6%	0.4%	Packaging
43	Peru	0.10	0.1%	0.2%	Packaging

