



# Overview and outlook of the European Softwood market 2022/2023

- International Softwood Conference Copenhagen 2022
- Presented by – Morten Bergsten, Chairman softwood ETTF



# Last years predictions

- Import forecasted to decrease in 2022 with 4%
- **Seems to be decreasing with 8%.**
- Consumption were forecasted to increase with 2,3% (Incl. US) in 2022
- **Seems to be decreasing with 6,5%.**
- US consumption forecast increase of 2 mio m3
- **Decreased with 2,0 mio m3.**
- Most countries forecasted steady/increasing activity in the building sector
- **Is slightly lower than expected.**



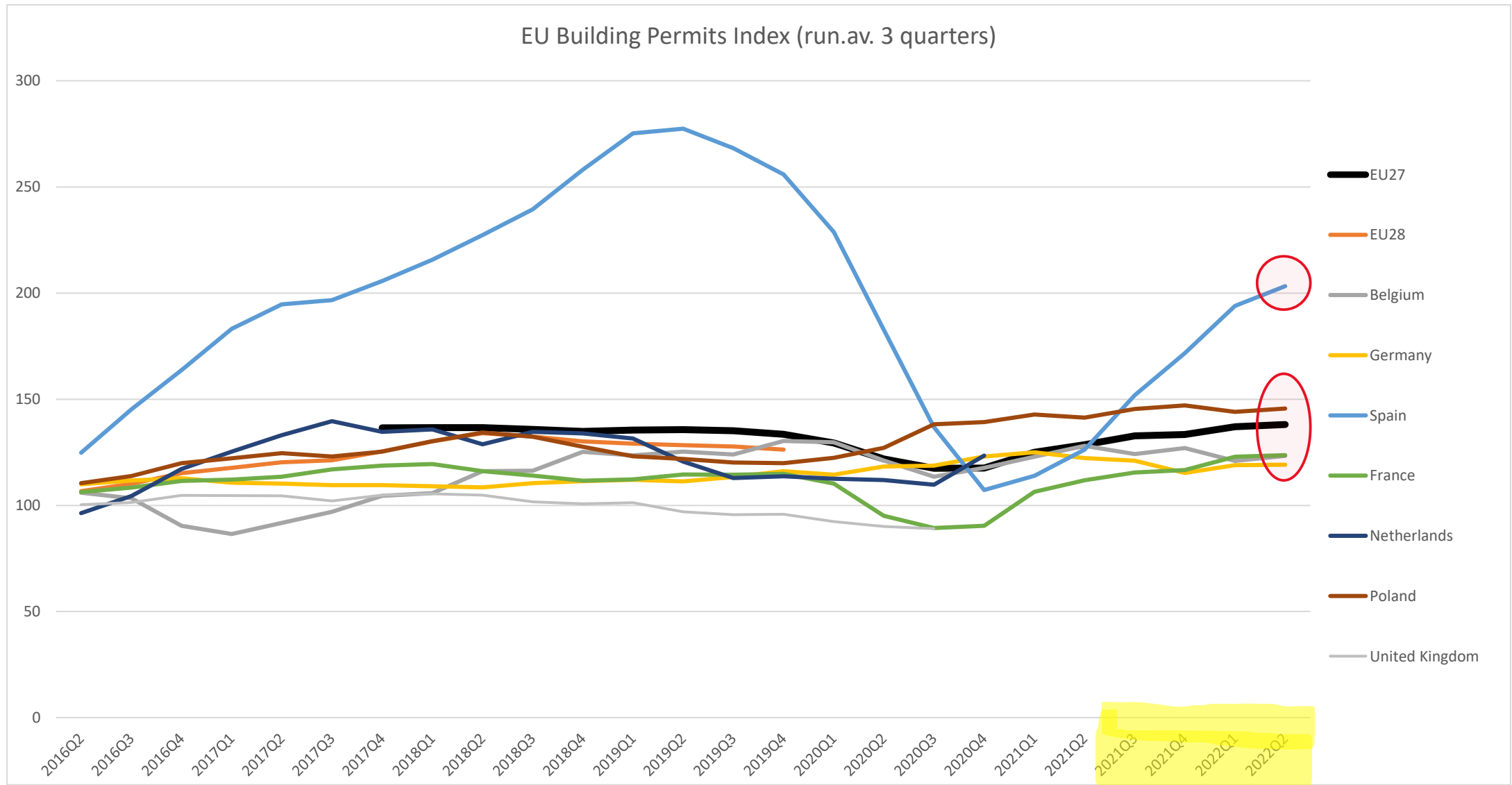
# What happened in 2022 – so far



- **1. quarter of the year still effected by Covid-19**
- **War in Ukraine started end February**
- **Full stop on Russian and Belarusian sawn timber in July**
- **Logistic seems to balancing even after new EU regulations for land transport**
- **There was high activity in both building and DIY sector in the 1. half**
- **Prices went up early in q1 and continued in q2 – followed by drop in q3 and 4**
- **Oversupply in 2<sup>nd</sup>. Half - mainly due to high stock at importers**
- **Interest increased**
- **Inflation increased**
- **Energy challenges**

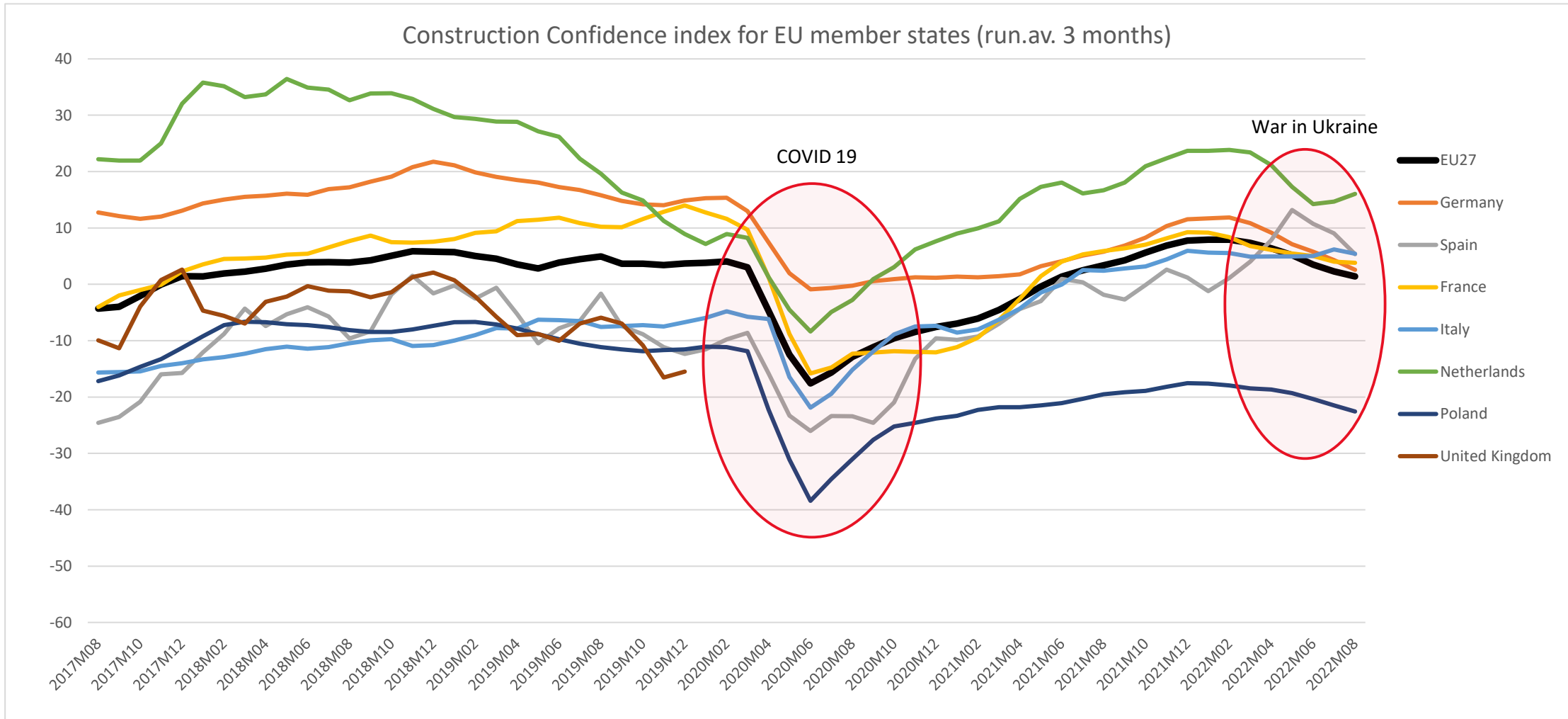


# EU Building Permits Index

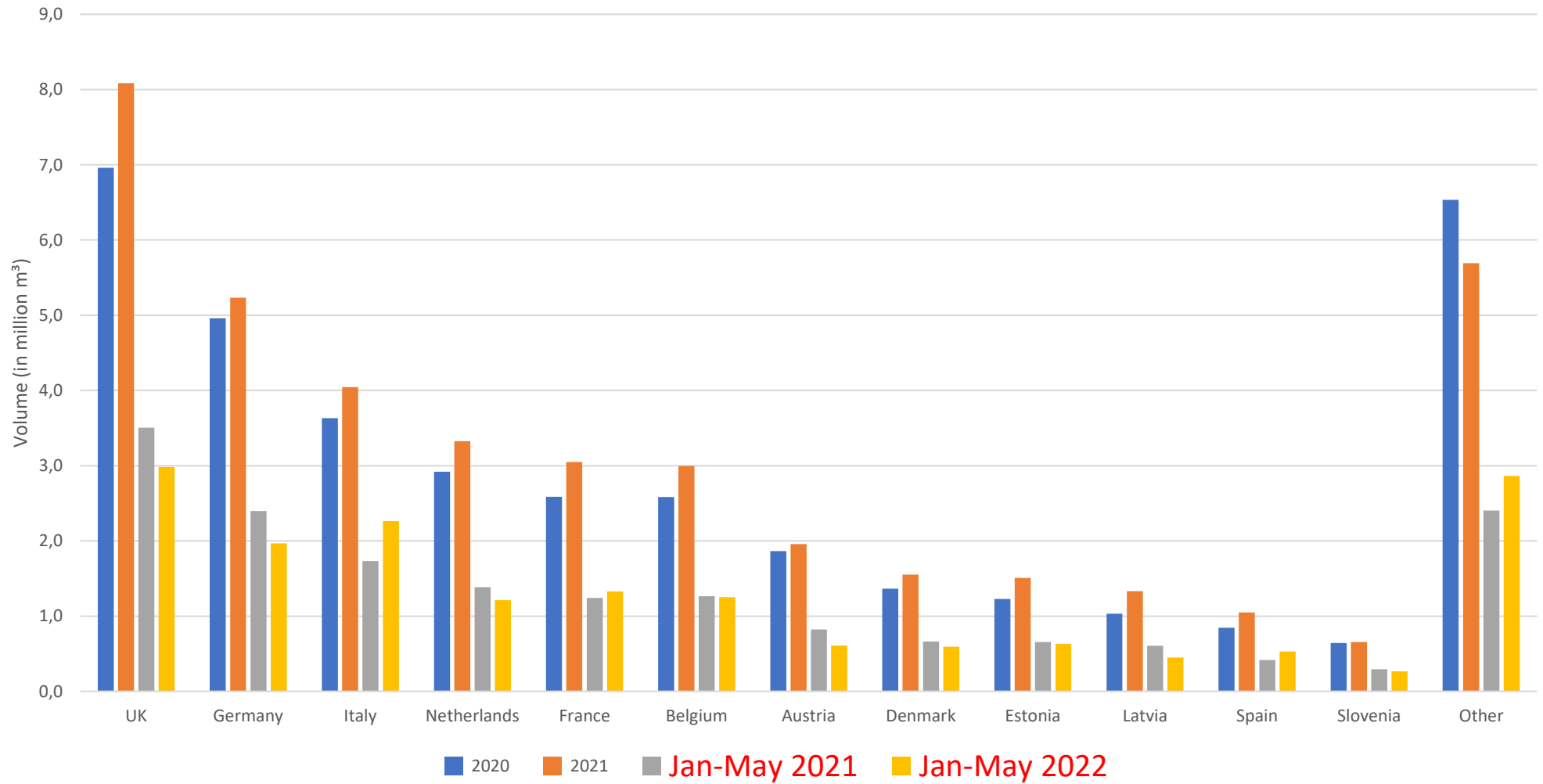


Source: Eurostat. Compiled and edited by Probos

# Eurostat construction confidence for the EU Member States



# Imports of sawn softwood by EU27 + UK Years 2020-2021



# Import and Consumption ETTF member countries >1 mio. m3



Country	Est. Import 22' / Forecast 23'		Est. Consumption 22' / Forecast 23'			
	2022	2023	2022	2023		
Belgium	2.700	2.700	2.600	2.650		
Denmark	1.350	1.300	1.415	1.350		
France	3.000	2.500	9.000	8.250		
Germany	5.000	4.500	19.800	19.500		
Italy	5.000	5.000	5.150	5.075		
Netherlands	2.900	2.850	2.620	2.565		
Spain	1.000	1.050	3.805	3.920		
<b>Subtotal:</b>	<b>20.950</b>	<b>19.900</b>	<b>-5,1%</b>	<b>44.390</b>	<b>43.310</b>	<b>-2,4%</b>
UK	6.250	6.400	8.935	9.120		
USA	26.885	24.675	-8,2%	86.205	84.055	-2,5%
<b>Total</b>	<b>54.085</b>	<b>50.975</b>	<b>-5,8%</b>	<b>139.530</b>	<b>136.485</b>	<b>-2,2%</b>









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12<sup>th</sup>-13<sup>th</sup> October

# Conclusion



- Still Strong focus on using wood from a political/environmental perspective but at the same time more focus on protecting the forest
- Decreasing consumption
- Decreasing activity in the building sector
- Consumer confidence is rapidly dropping
- Lack of app. 8 mio. m3. Russian and Belarusian sawn goods
- The repercussions of the war in Ukraine from a Financial perspective (global economy)
- Uncertain/Unstable financial outlook for the coming period
- Unstable political situation
- Increasing inflation, interest and energy prices
- US and Chinese market



**We are facing a much more unpredictable and difficult year in 2023**







# THANK YOU



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