A Demand Perspective: Executive Summary

Note: This is a summary of a full report available by request under the “In-Depth Reports” section on our Research web page.

Executive Summary

Demand for wood products is a key driver for timberland investment. Every day, millions of people around the globe consume products made of wood such as furniture, grocery bags, and toilet paper, to name a few. In addition, wood products are widely used in construction and manufacturing processes. Recently, wood biomass has emerged as a feedstock for generating renewable energy for industrial purposes.

Worldwide, population dynamics, economic activity, and environmental policies will continue to drive up demand for industrial roundwood. Total consumption of roundwood is projected to be greatest in Europe and North America. Roundwood consumption in Asia & the Pacific region is expected to increase rapidly, so that by 2030 it will reach a level comparable to Europe and North America. The projected increase in the Asia & the Pacific region largely reflects increasing consumption in China and India.

Sources: FAO, 2009, 2015

Per capita consumption of industrial roundwood is greatest in North America, and is projected to remain fairly flat through 2030. Per capita consumption is expected to increase significantly in Europe however, in part reflecting declining population projections for the region and in part reflecting a recovery in consumption following break up of the former Soviet Union. In the Asia & the Pacific region, per capita consumption is expected to remain flat at less than 10% of the North American level, as population growth keeps pace with growth in roundwood consumption.
Disclosures

The information in this document is based on certain assumptions, information and conditions applicable at a certain time and may be subject to change at any time without notice. No representation, warranty or undertaking is given as to the accuracy or completeness of the information and opinions contained herein. No reliance may be placed for any purpose on the information and opinions contained in this document or their accuracy or completeness and nothing contained herein shall be relied upon as a promise or representation as to future performance.

Certain information in this document has been derived from materials furnished by outside sources. Although that information has been obtained from sources reasonably believed to be reliable, Campbell Global, LLC does not guarantees its accuracy, completeness, or fairness. Any forecasted timber growth, timber harvest activity, timber consumption patterns, timber prices, future macroeconomic measurements, opinions, and estimates set forth herein are presented for informational purposes only and involve a number of assumptions that may not prove to be valid and may change without notice.

Certain information contained in this document constitutes forward-looking statements, which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "target," "project," "estimate," "intend," "continue," or "believe," or the negatives thereof or other variations thereon or comparable terminology. The projections and forward-looking statements included herein are subject to risks, uncertainties, and assumptions. Some important factors that could cause actual results to differ materially from those in any forward-looking statements include the following: changes in financial, market, and economic or legal conditions, among others.