

# Monthly Market Report

## September 2025



**S**tability has once again been the order of the day in September with domestic and export log sales steady in demand and prices largely unchanged from August. This is great news once again with steady workflows and consistent production bringing broad scale efficiencies within commercial forestry industry related companies.

Indeed, my check of historic pricing suggests wharf gate prices for export logs have rarely moved outside of a \$10 per cubic metre band in the last 2 years. This might even be regarded as small miracle given the world disorder and chaos that has emerged from President Trump's economic mis-management.

China consumption has been steady at 55,000 to 60,000 per day for the first half of September. Most commentators are suggesting an October lift in demand and possibly prices as Autumn weather allows more productive outputs.

Against that potential is recent news of some Letter of Credit (LC) issuing companies pulling

back having sustained some big losses on trade defaults. As at mid-September there is some suggestion of downward price pressure as LC's and contracts become harder to settle. Most are saying this is a short term "blip."

China growth data statistics suggest a broad improvement in purchasing activity adding to positive economic gains whilst rising unemployment is a sign of slow trickle-down effect. Other data shows accelerated input costs and weaker sales prices across key sectors.

A recent weakness the value of the Yuan against the US\$ is helping to maintain sales prices for exports netted back to China manufacturers, but also helps drive up imported prices for logs, as an example.

Within this diverse mix of positives and negatives, most commentary is suggesting business confidence has strengthened to a 6-month high so in the longer term should help Radiata pine log prices to remain stable to strengthening.

India is also showing a combination of positives with inventory low, log prices stable to very slight improvements and most commentators remaining reasonably at peace with the world.

Current demand and sales are in good alignment with 7 vessels of softwood logs delivered in each of July and August, with a total 8 expected in September.

A total 10 vessels are forecast for October. This is potentially a worrying sign of oversupply when India also takes a 10 – 15day holiday to celebrate the Diwali festival.

Whilst this suggests the supply/demand planets will be out of alignment, history shows the festival brings confidence and increased sales on either side of it so broader medium term trade levels are likely to remain stable.

Like China, India manufacturing confidence remains subdued on the back of uncertainty as to where US Tariff levels will land and how they will impact sales. What is becoming clear is the severe strain on the US economy under the previously referred to economic mis management.

What the increasingly less popular President Trump has not banked on is the big thumb the nose he is getting from US manufacturers. They are most certainly not queuing up to set up new factories in the US. They know full well that when nature takes its course and a new President assumes the declining lofty mantle, the tariffs will disappear and the profit opportunities will go with them.

Shipping is once again furrowing the brow of Charterers with the cost of most NZ September log voyages to both China and India increasing US\$2 – 3 per cubic metre. There are some exceptions, for example larger handy class vessels are cheaper.

Cost increases are also less, where there are longer term multi vessel charter agreements, or where a single port load can be completed in NZ. For the moment, cost movements are manageable in the context of sale prices versus shipping costs versus currency exchange rates.

NZ domestic sales are chugging along at a just OK level. An air of positivity is starting to invade conversations with most believing they are in for a much better 2025/26 summer. The closure of the CHH Eaves Valley sawmill has been seen as positive. Many have commented the lumber from that plant was more often than not, offered at discounts in Canterbury, seemingly to maintain cashflow whilst also ensuring no one printed black.

As always, please remember the thoroughly important message, "despite the challenges, it remains, as always, fundamentally important, the only way forward for climate, country and the planet, is to get out there and plant more trees"

*Allan Laurie*, MNZIF  
Laurie Forestry

**South Canterbury Address**  
22 Shearman Street, Waimate  
7924, New Zealand  
Phone +64 3 689 8333

Email: [admin@laurieforestry.co.nz](mailto:admin@laurieforestry.co.nz)

**Christchurch Address**  
Unit 3, No 5 Seven Mile Drive, Belfast,  
Christchurch 8051, New Zealand  
Phone +64 3 359 5000



**Laurie Forestry Ltd**

[www.laurieforestry.co.nz](http://www.laurieforestry.co.nz)