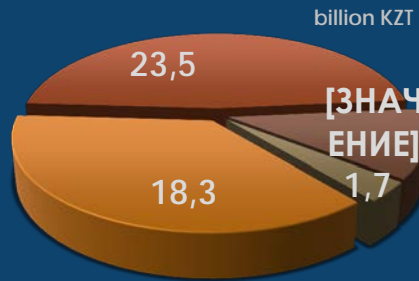


FURNITURE INDUSTRY

January-October 2021



KZT 49.3
BILLION



111.8%
PVI

- Office furniture
- Kitchen furniture
- Other furniture
- Mattresses

\$4.9 MLN.



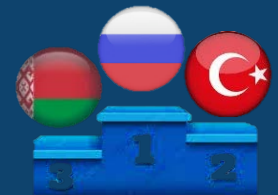
EXPORT

Import 71.9%
DP 28.1%



MARKET

\$257.2 MLN.

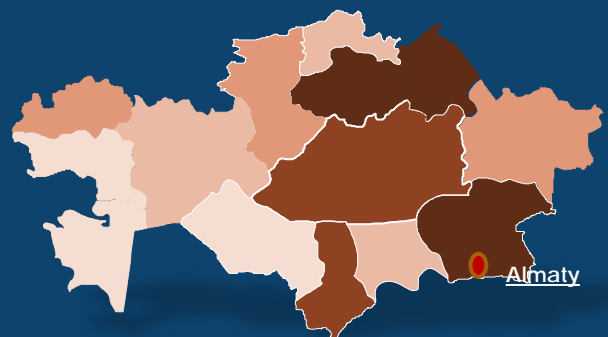


IMPORT

Market data, exports and imports for January-September 2021

PRODUCTION IN THE REGIONS MILLION TENGE

ALMATY CITY	21 366
AKMOLA REGION	3015
PAVLODAR REGION	2894
ALMATY REGION	2889
TURKESTAN REGION	2768
KARAGANDA REGION	2514
SHYMKENT CITY	1981
KOSTANAY REGION	1992
EKO	1906
WKO	1981
NURSULTAN CITY	1746
NKO	1421
AKTOBE REGION	1058
ZHAMBYL REGION	671
ATYRAU REGION	500
MANGYSTAU REGION	429
KYZYLORDA REGION	137



Furniture industry January-October 2021

The volume of production of furniture products in January-October 2021 amounted to KZT 49.3 billion, which in nominal terms is higher than the indicator of the same period of 2020 by KZT 17.3 billion. The PVI industry for the reporting period increased significantly and amounted to 111.8%.

The growth of PVI was ensured in all sectors of the industry, except for the production of mattresses, where there was a decrease in PVI by 1.2%. At the same time, the greatest growth in production volumes is observed in the production of furniture for offices and trade enterprises (1.3 times) and in the production of other furniture (1.3 times).

In January-October 2021, in physical terms, there is a significant increase in production and furniture for special seating, mainly with a metal frame (1.4 times) and office wood furniture (1.3 times), which contributed to the growth of the PVI industry.

At the same time, in the reporting period of the current year, there was a decrease in the volume of production of wooden furniture for dining and living rooms by 22.1%, kitchen furniture - by 10.9%, wooden furniture for other bedrooms (except for beds and wardrobes) - by 8.8%.

In territorial terms, furniture companies are located in all regions of the country. At the same time, about half of the country's furniture products are produced in Almaty (43.3%).

The domestic **market for the consumption** of furniture products in January-September 2021 amounted to **US \$ 358.0 million** (KZT 152.0 billion), which is higher than the indicator of the corresponding period of 2020 by US\$ 110.6 million. At the same time, in the domestic market, the share of products of domestic producers increased by 1.3 percentage points and amounted to 28.1%. At the same time, the share of imported furniture products in the total consumption decreased by 1.3 percentage points and amounted to 71.9%.

In general, it should be noted that in the context of softening quarantine measures to combat COVID-19, **domestic companies began to restore the lost shares of the domestic furniture market during the crisis.**

The volume of exports of furniture products in January-September 2021 in comparison with the corresponding period of 2020, in monetary terms, it increased 1.5 times and amounted to US \$ 4858.4 thousand, and in kind - 4.1 times and 5.9 thousand tons, respectively.

The growth in the volume of exports of furniture products in the current year was facilitated by an increase in the volume of products of the domestic furniture industry and an increase in demand for furniture products in neighboring countries.

In the commodity structure of the export of the industry, the main volume is accounted for by plastic furniture (30.4% of the total export volume or US\$ 1.5 million), other metal furniture (14.3% or US\$ 694.7 thousand) and other wooden furniture (12.5% or US\$ 609 thousand).

The main volume of furniture products export was directed to Uzbekistan (28.9% of the total export volume or US\$ 1406.3 thousand), to Russia (21.8% or US\$ 1058.8 thousand), to Kyrgyzstan (20.6% or US\$ 1001.0 thousand), to Armenia (7.3% or US\$ 356.5 thousand) and to Tajikistan (6.9% or US\$ 333.6 thousand).

The volume of imports of furniture products in January-September 2021 in monetary terms, compared to the corresponding period of 2020, increased by 42.0% and amounted to US\$ 257.2 million, and in physical terms - by 36.3% and 98.6 thousand tons, respectively, which may lead to further growth of competition in the furniture market of the country.

The main imported products of the furniture industry are other wooden furniture (US\$ 66.7 million or 25.9% of total imports), wooden bedroom furniture (US\$ 35.6 million or 13.8%), furniture upholstered for seating with a wooden frame other (US\$ 26.7 million or 10.4%), other metal furniture (US\$ 20.9 million or 8.1%), parts of furniture made of metal, wood, from other materials (US\$ 16.6 million or 6.4%). The main volume of imported furniture products comes from Russia (by US\$ 123.2 million or 47.9% of the total import volume), from Turkey (by US\$ 32.0 million or 12.5%), from Belarus (US\$ 29.2 million or 11.3%), from China (US\$ 22.2 million or 8.6%) and from Italy (US\$ 14.0 million or 5.5%).

The analysis shows that the volume of furniture imports in Kazakhstan is still at a high level. So, **in January-September 2021, the volume of furniture imports exceeds the volume of its exports by 53 times.**