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<https://www.woodbusiness.ca/softwood-lumber-supply-and-demand-corrects-on-further-sawmill-curtailments/>

## Softwood lumber supply and demand corrects on further sawmill curtailments

June 11, 2019; By Madison's Lumber Reporter

Madison's Weekly Softwood Lumber Prices						
www.madisonsreport.com						
June 10, 2019						
Prices are net FOB mill U.S. dollars per 1,000 fbm except * are CDN\$/msf						
	This Week	Last Week	Change %	Month Ago	Change %	
WSPF KD R/L 2x4	298	306	-2.6% ▼	332	-10.2% ▼	▼
WSPF KD R/L 2x6	286	294	-2.7% ▼	322	-11.2% ▼	▼
SYP KD R/L East Side 2x4	361	379	-4.7% ▼	413	-12.6% ▼	▼
SYP KD R/L East Side 2x6	257	297	-13.5% ▼	315	-18.4% ▼	▼
ESPF KD R/L 2x4	385	390	-1.3% ▼	410	-6.1% ▼	▼
WSPF KD PET 2x4 Stud	250	250	0.0% --	265	-5.7% ▼	▼
WSPF KD PET 2x6 Stud	232	242	-4.1% ▼	262	-11.5% ▼	▼
Douglas Fir Green R/L 2x4	300	315	-4.8% ▲	317	-5.4% ▲	▲
Douglas Fir Green R/L 2x10	375	355	+5.6% ▲	363	+3.3% ▲	▲
ESPF KD 2x4 8ft Stud	330	335	-1.5% ▼	350	-5.7% ▼	▼
OSB Ontario 7/16" * (DN\$/msf)	255	251	+1.6% ▲	255	0.0% -	-
CSplywood Toronto 3/8" *	440	416	+5.8% ▲	433	+1.6% ▲	▲

The latest announcement of major sawmill curtailments Monday, this time with Canfor making production cuts at all its facilities, caused a complete reversal of lumber futures prices on the Chicago Merchantile Exchange. It will be very interesting to see what happens with cash prices this week. Madison's Lumber Reporter print is Friday mornings; this week, prices are likely to at least stop falling if not to actually increase.

The latest North America sawmill capacity utilization rates, for March, released by the Western Wood Products Association in their monthly Lumber Track on Monday, shows Canadian sawmills improving both utilization and production volumes for that month. This trend, when it comes out for May later this



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year, will return downward, however, to reflect production volumes taken offline by British Columbia sawmill curtailments in March and April.

Ongoing drops since the beginning of this year continued for the week ending June 7, 2019, with benchmark lumber commodity Western Spruce-Pine-Fir KD 2×4 #2&Btr (RL) FOB sawmill wholesaler price down another -\$8, or -2.6%, to U.S. \$298 mfbm, from the previous week when it was U.S. \$306 mfbm. This week's price is -\$34, or -10%, less than it was one month ago. Compared to one year ago, this price is down -\$360, or -55%.

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