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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

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
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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