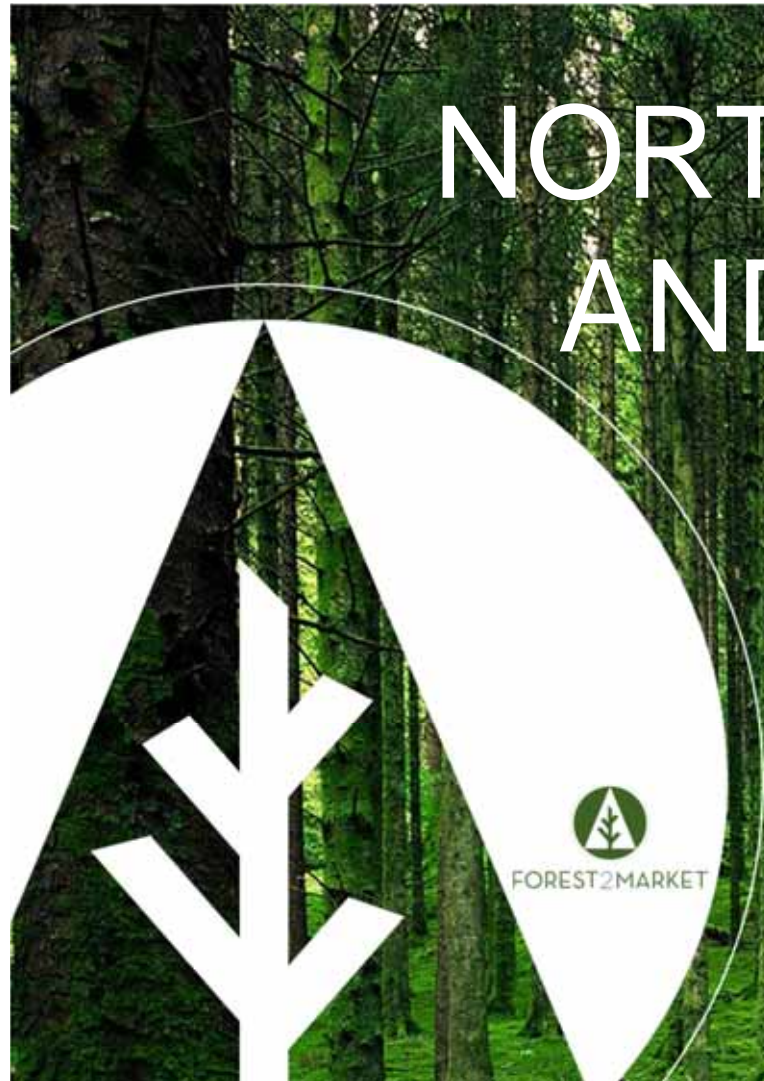


NORTH AMERICAN LOG AND FIBER MARKETS

TIMBER MEASUREMENTS SOCIETY
CENTRAL MEETING
APRIL 13, 2017
PORTLAND, OREGON

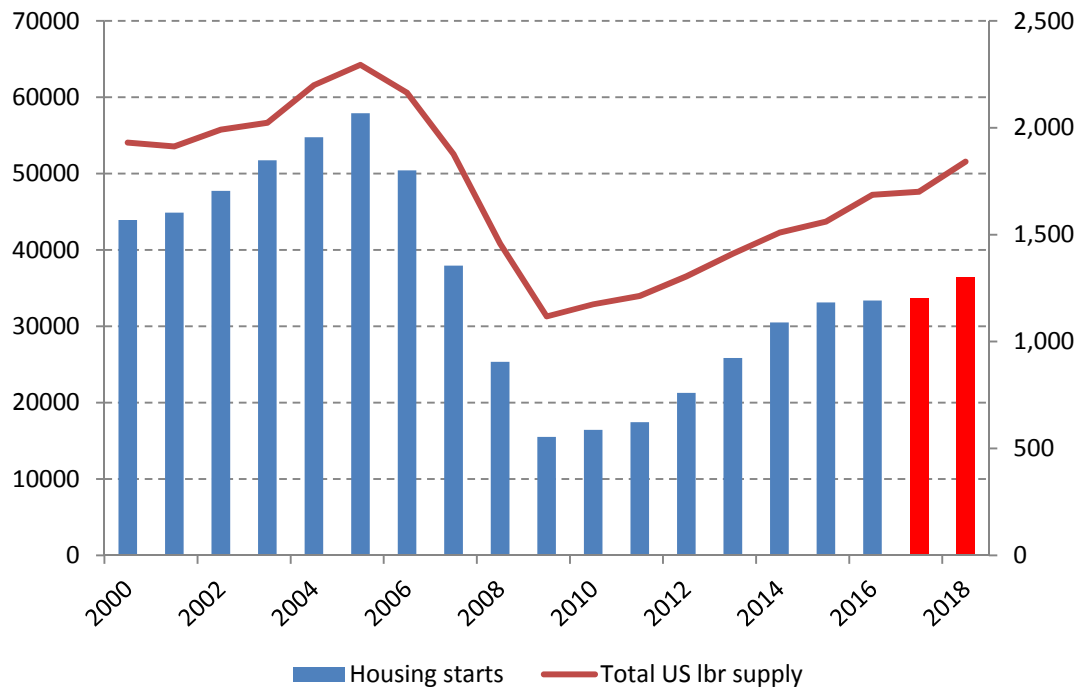


- Demand the for North American wood supply
- US production by region
- Regional log market trends
- Canadian lumber production
- Wood chips and fiber
- Conclusion and some predictions





US HOUSING DRIVES THE LUMBER MARKET



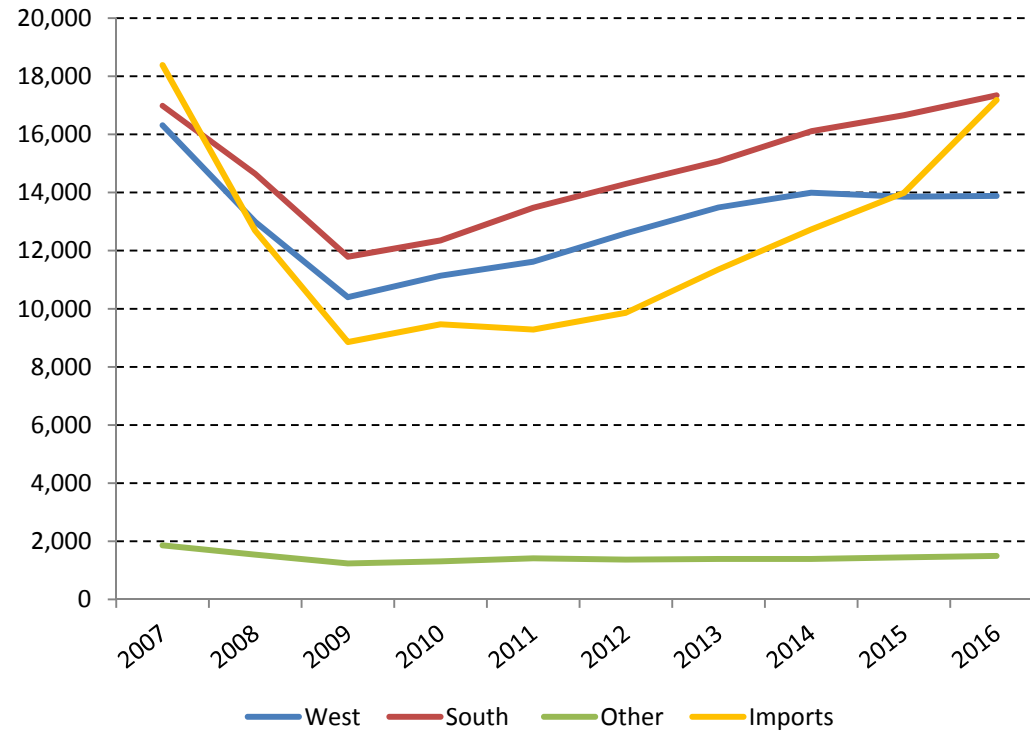
Improved housing demand benefits lumber-panel producers .

2018 total US lumber supply-demand projection 51.5 BBF.



WHERE DOES US SOFTWOOD LUMBER COME FROM?

Volume MBF



Source: WWPA



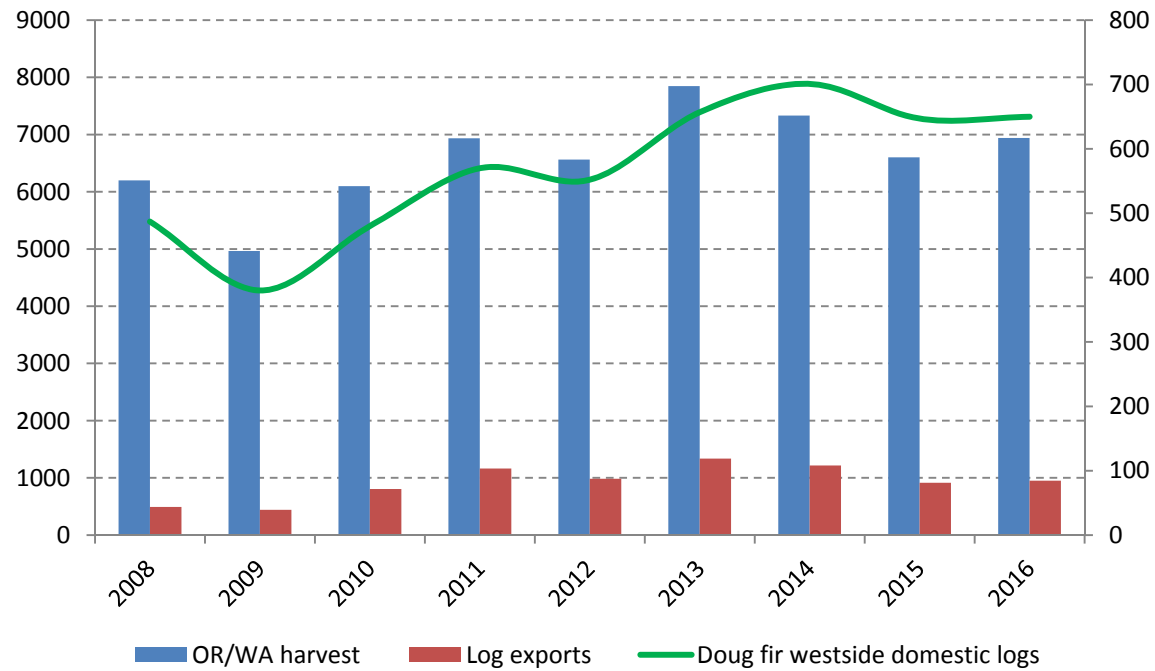
PNW DOUGLAS FIR REGION





DEMAND DRIVES PRIVATE HARVEST

WA-OR Total Harvest MBF

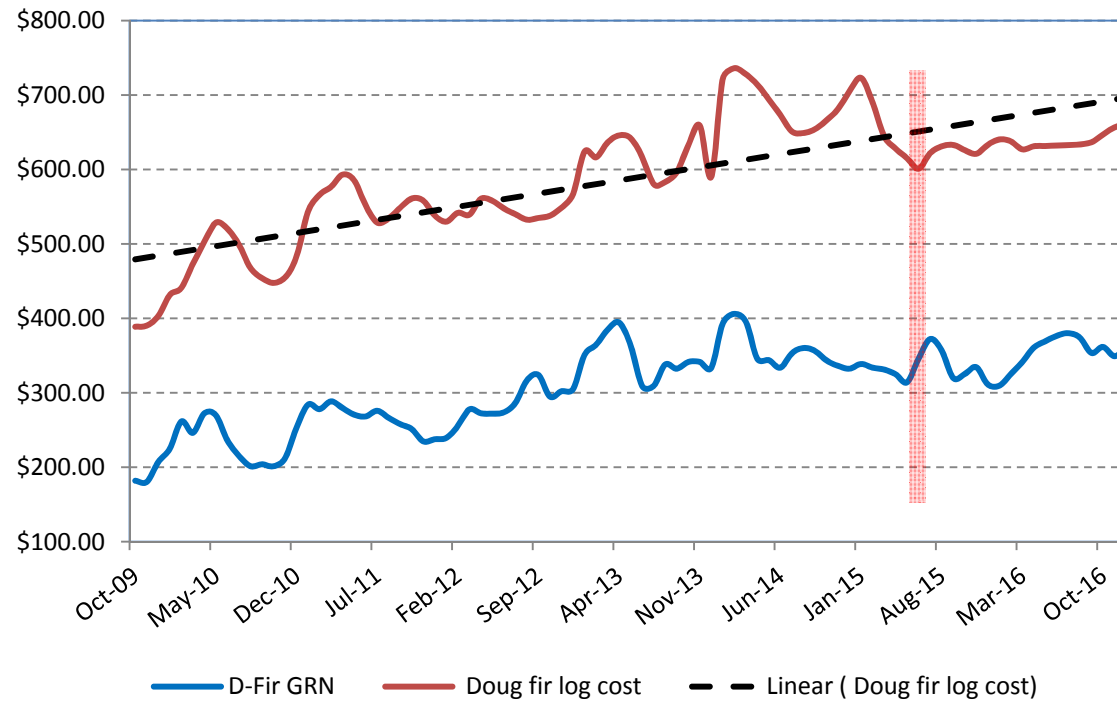


\$/MBF



PNW DOUGLAS FIR LOGS AND LUMBER

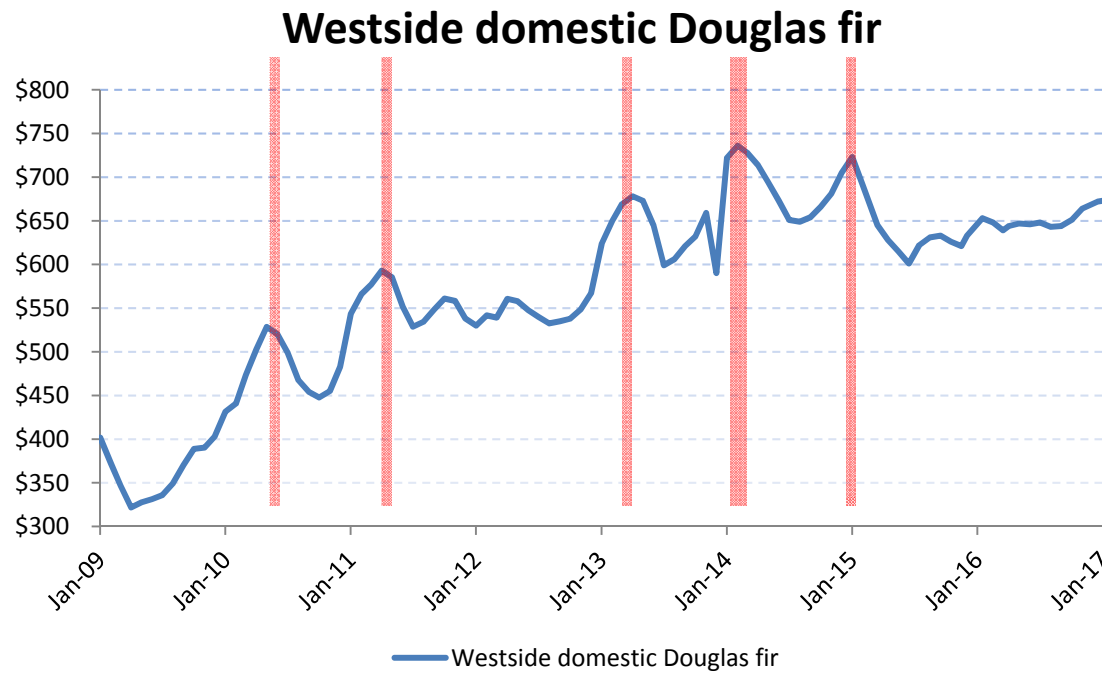
\$ / MBF



Source: Forest2Market and WWPA



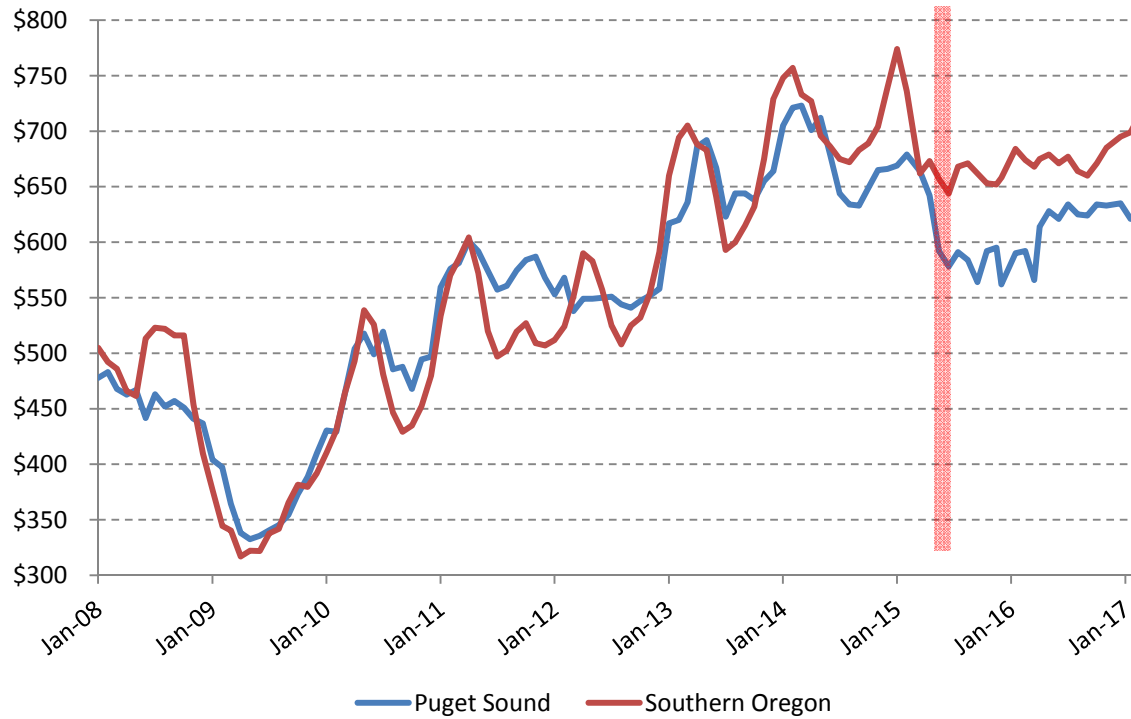
SEASONAL PRICE ADJUSTMENTS





REGIONAL DOUGLAS FIR LOG PRICE TRENDS

\$ / MBF



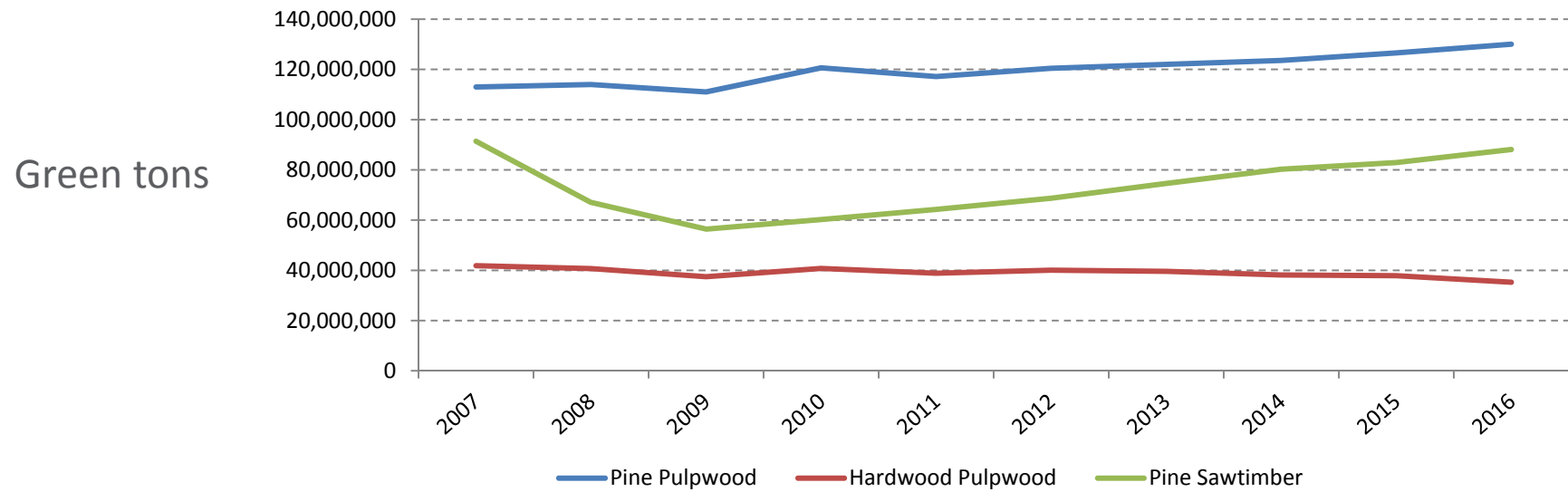


SOUTHERN PINE REGION



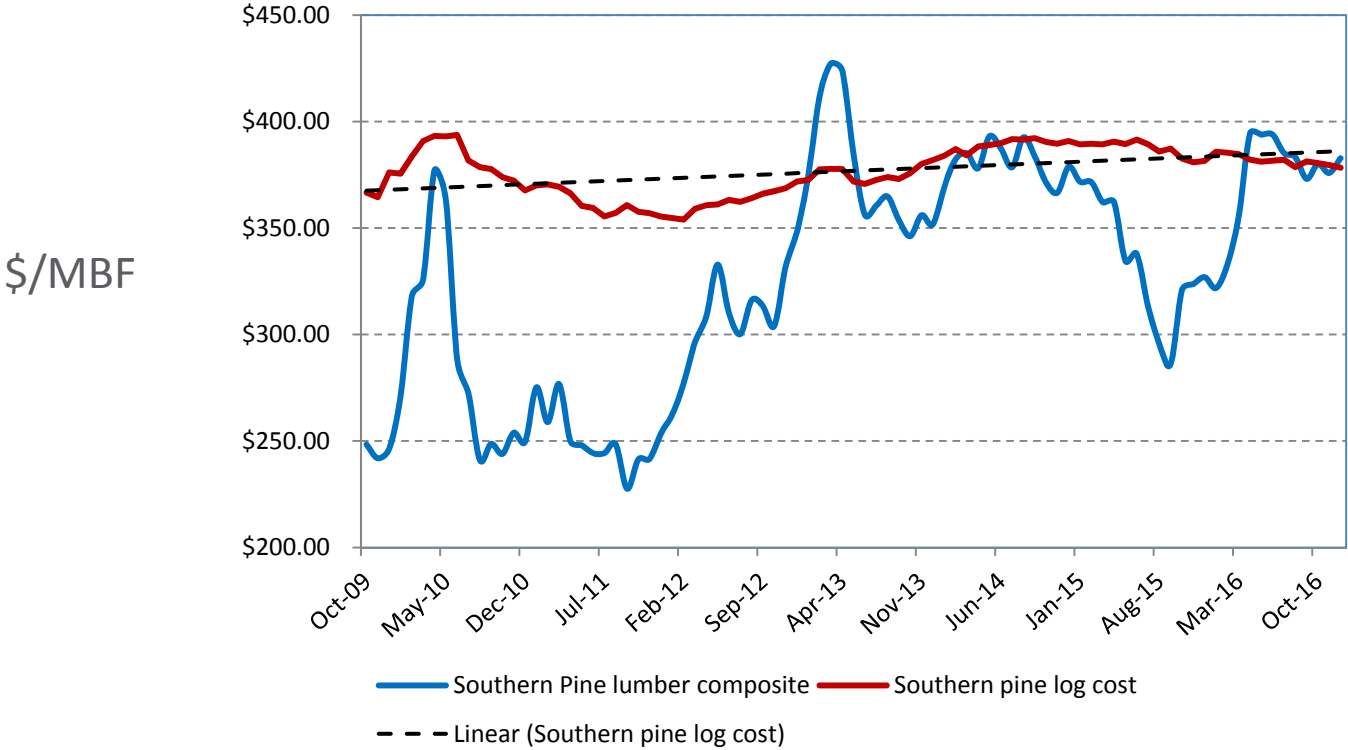


SOUTHERN PINE REGION HARVESTS





SOUTHERN PINE LOGS AND LUMBER





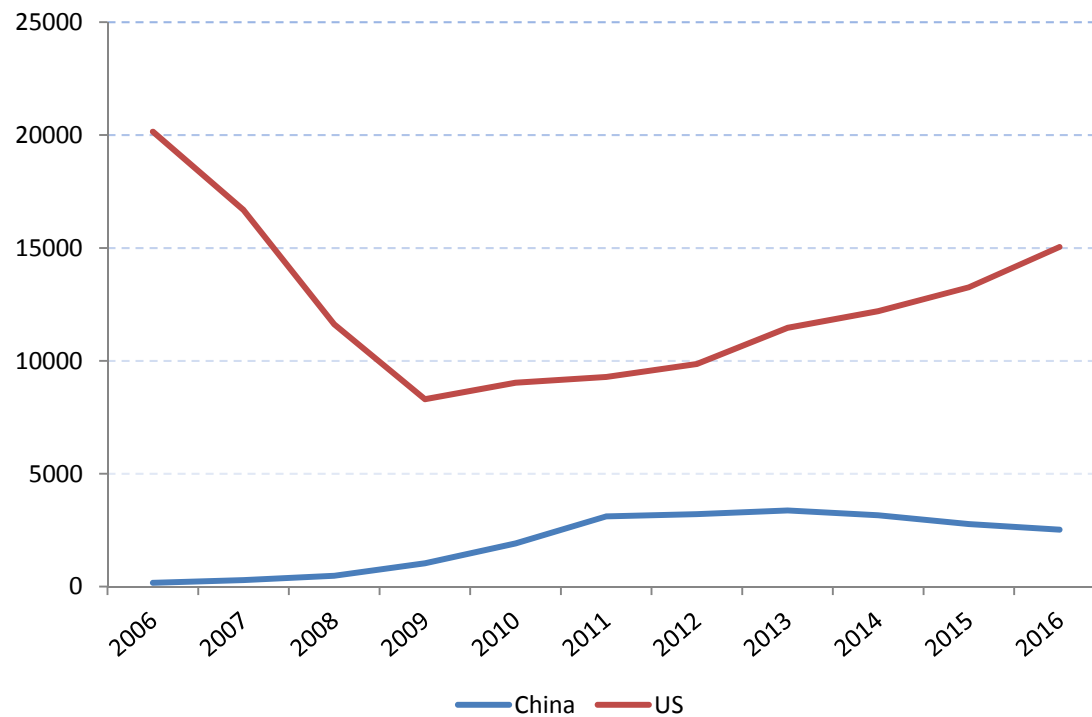
CANADIAN LUMBER AND US HOUSING





CANADIAN LUMBER EXPORT; US IS THE FAVORED DESTINATION

Volume MBF

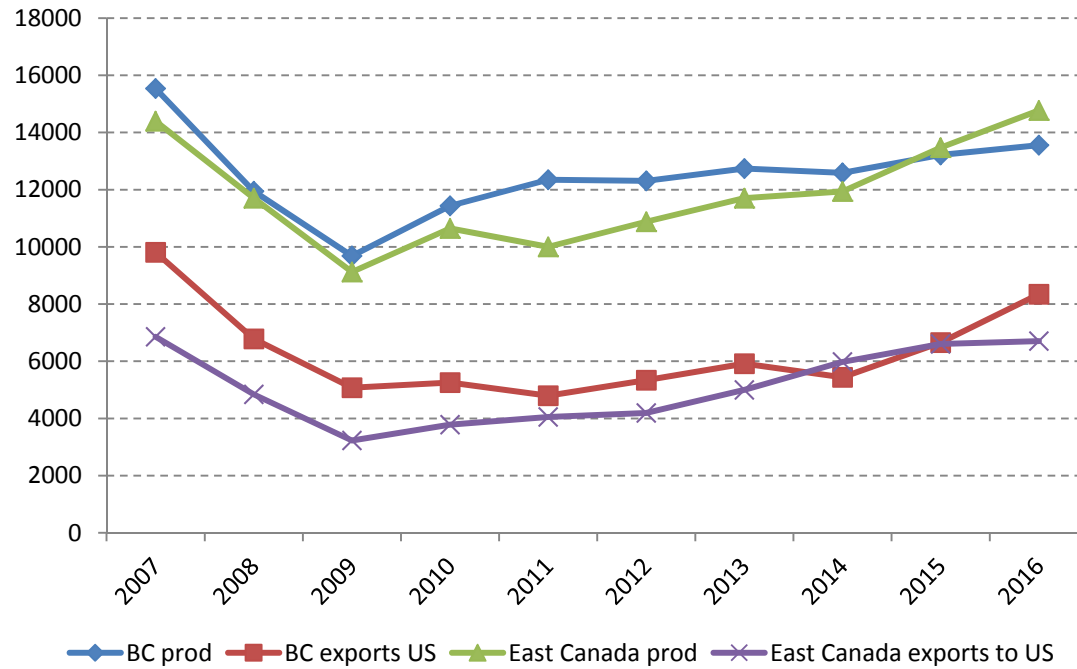


Source: WWPA



CANADIAN REGIONAL LUMBER PRODUCTION AND US EXPORTS

Volume MBF



Source :WWPA



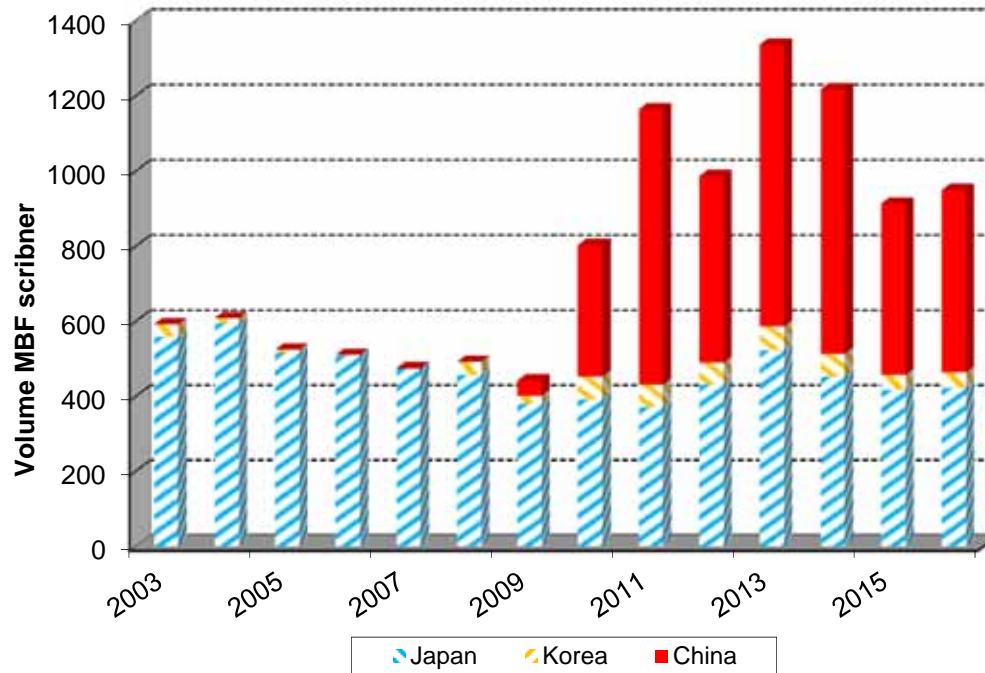
15% OF OREGON AND WASHINGTON TIMBER HARVEST IS EXPORTED





PACIFIC NORTHWEST LOG EXPORTS BY DESTINATION

Northwest Log Exports to Asia - Breakbulk Volume



Source: Jones Stevedoring



EXPORT LOG PRICE HISTORY



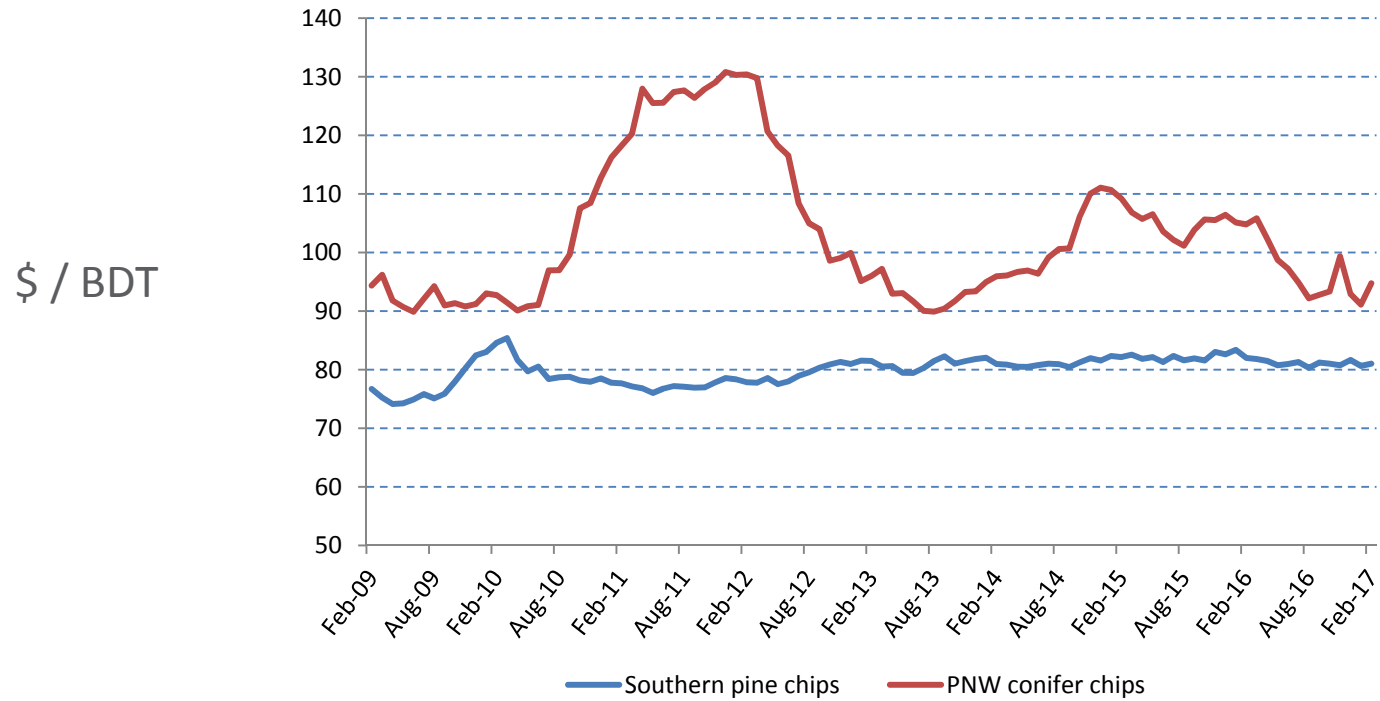


WOOD CHIPS AND FIBER





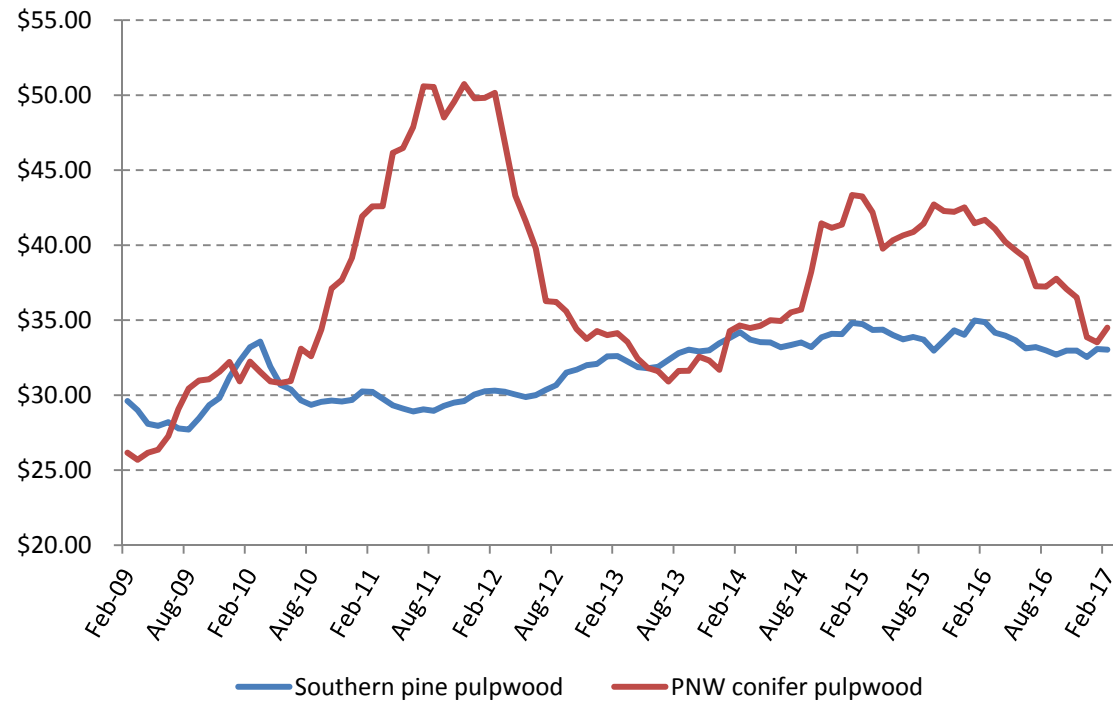
SOFTWOOD CHIPS REGIONAL PRICING





SOFTWOOD PULP WOOD REGIONAL PRICING

\$ / green ton





CONCLUSIONS

- The housing market will remain strong through 2018
- Good demand for lumber and panels
- Strong dollar influence on imports and exports
- Southern pine region has abundant timber and production will expand
- Western US is timber supply constrained; regulation and public stumpage
- Softwood lumber agreement negotiations
- British Columbia production will decline
- Likely more mill PNW closures and consolidations
- Outlook is more positive than a year ago



ALWAYS REMEMBER:
*WATCH FOR WHAT'S
COMING AROUND THE
BEND!*





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