

Trends in North American Hardwood Markets

**Canadian Hardwood Bureau Meeting
Montreal, QC
April 9, 2024**

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Supply is a Product of Demand



Munch More
Make More



Munch Less
Make Less



Supply is a Product of Demand

The hardwood industry is
complex.

It has multiple inputs and
multiple outputs.

~ Bill Luppold, Ph.D.

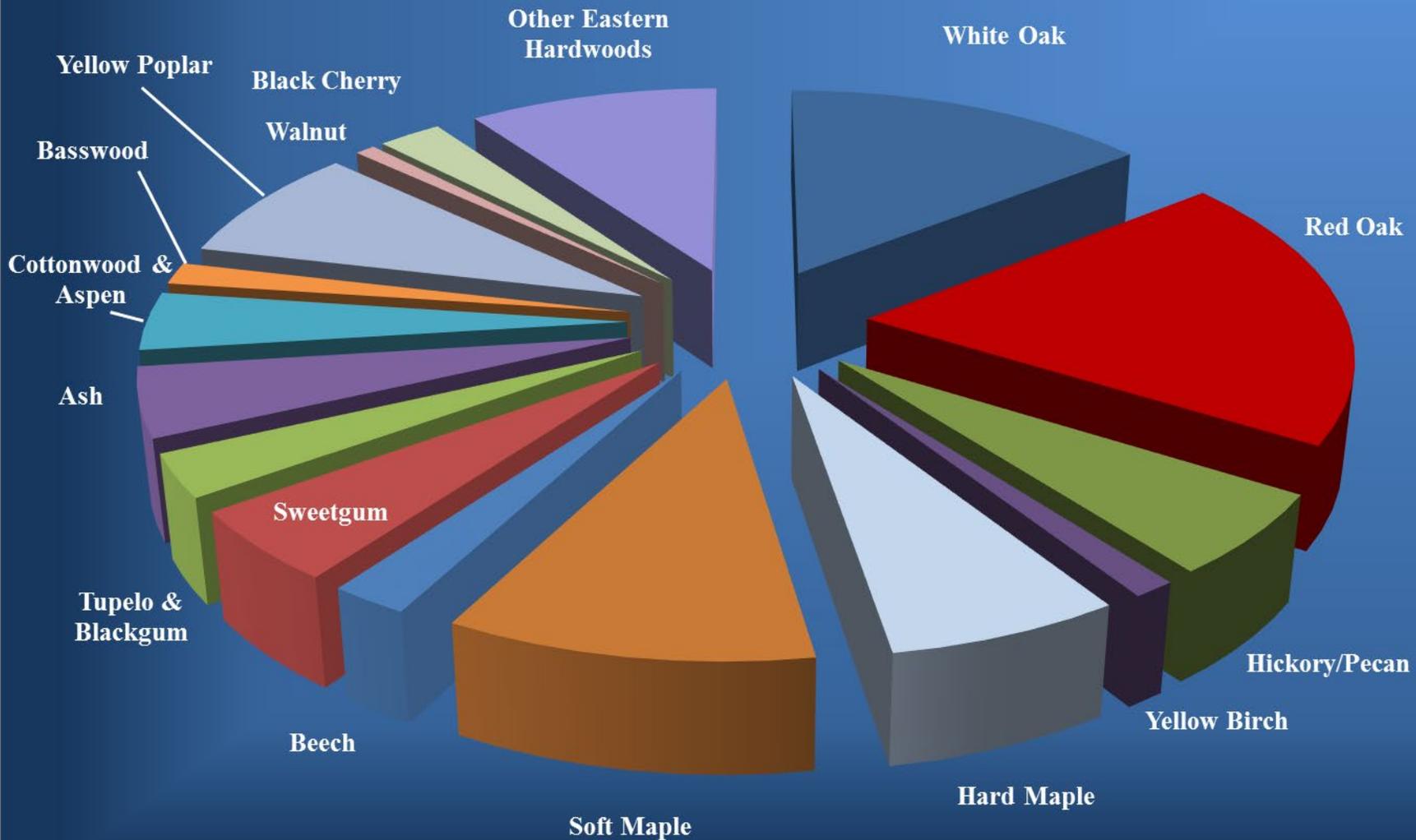


“You can’t connect the dots looking forward; you can only connect them by looking backwards. So you have to trust that the dots will somehow connect you with your future. You have to trust something – your gut, destiny, life, karma, whatever. This approach has never let me down, and it has made all the difference in my life.”

~ Steve Jobs



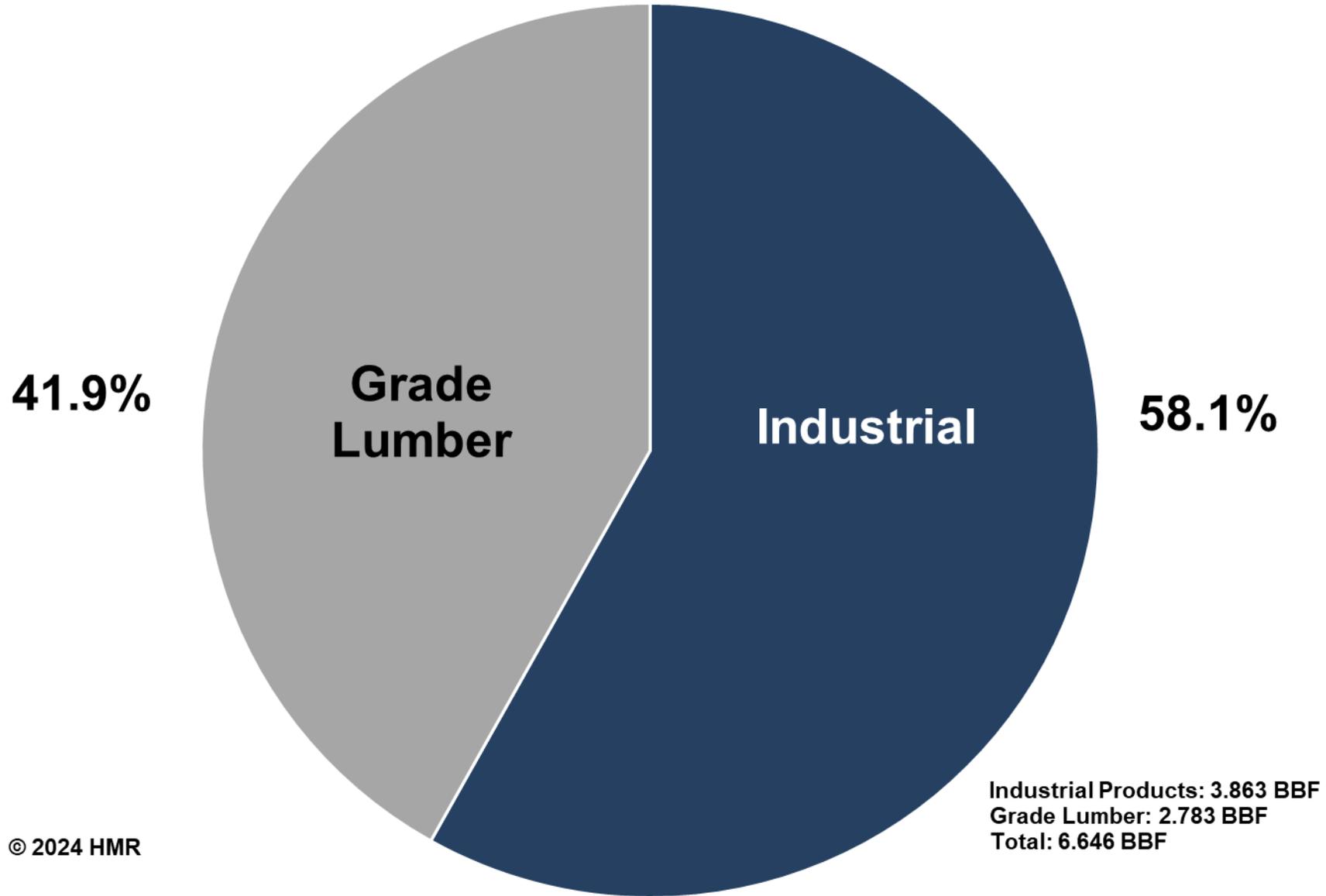
Eastern US Hardwood Growing Stocks on Timberland by Species



Source: USDA Forest Service

Graph: HMR

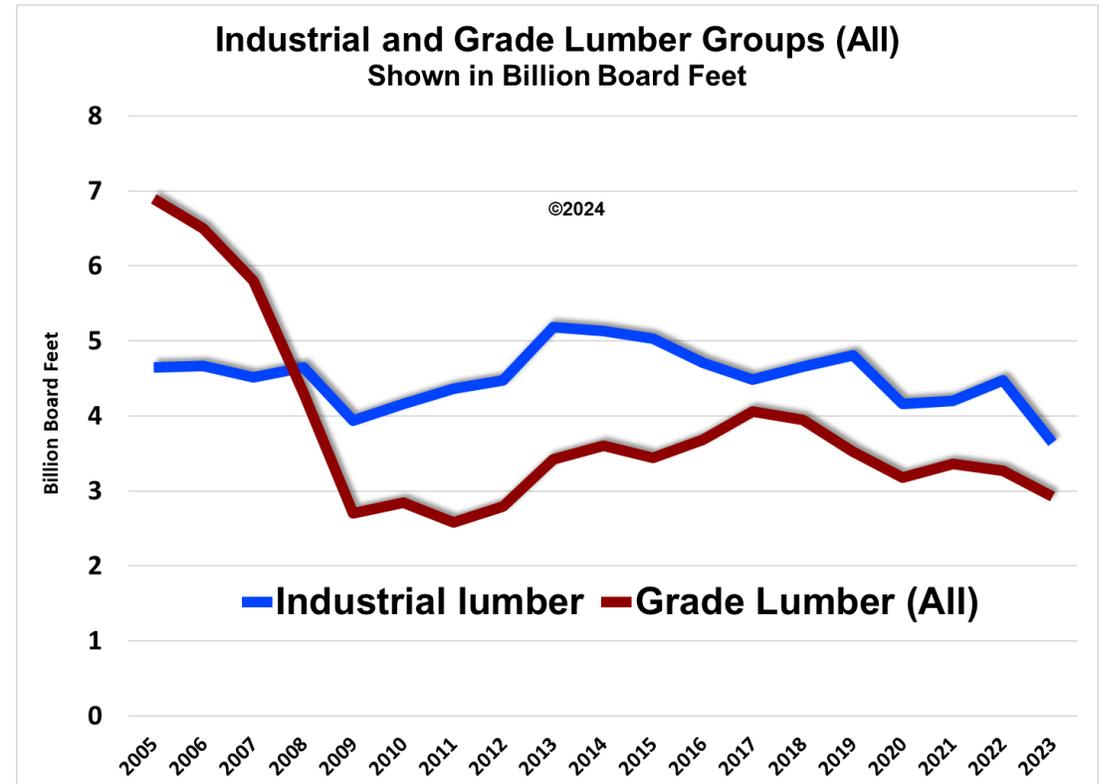
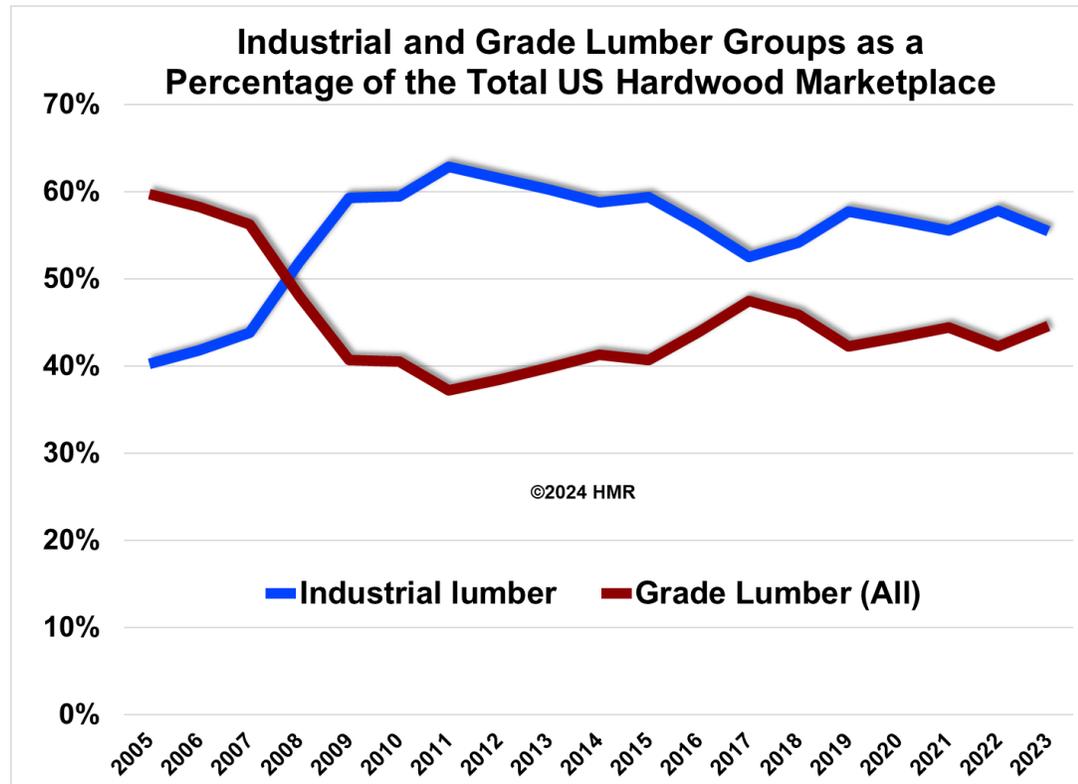
2023 Hardwood Consumption



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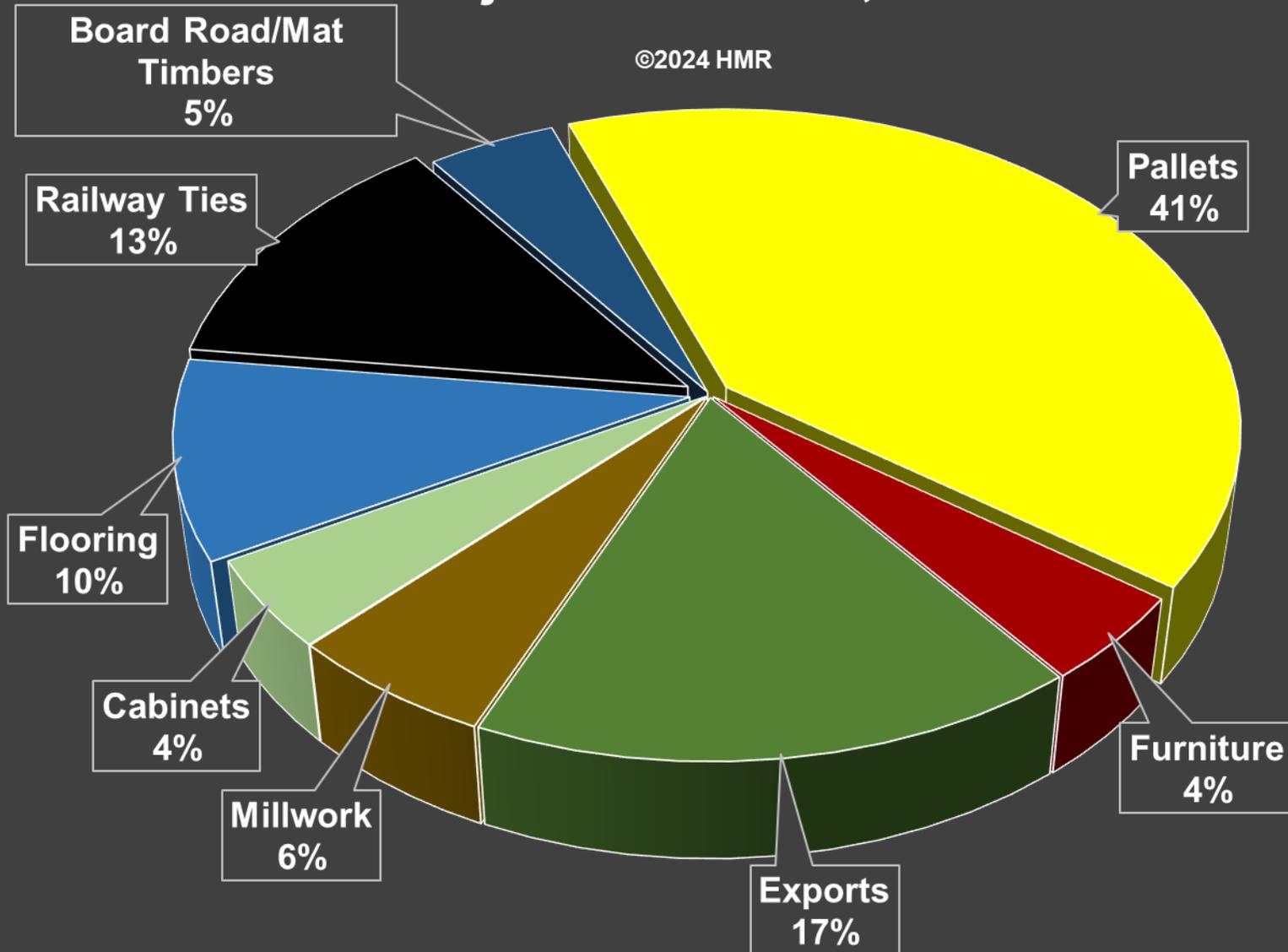


Structural Shift in US Hardwood Market Composition

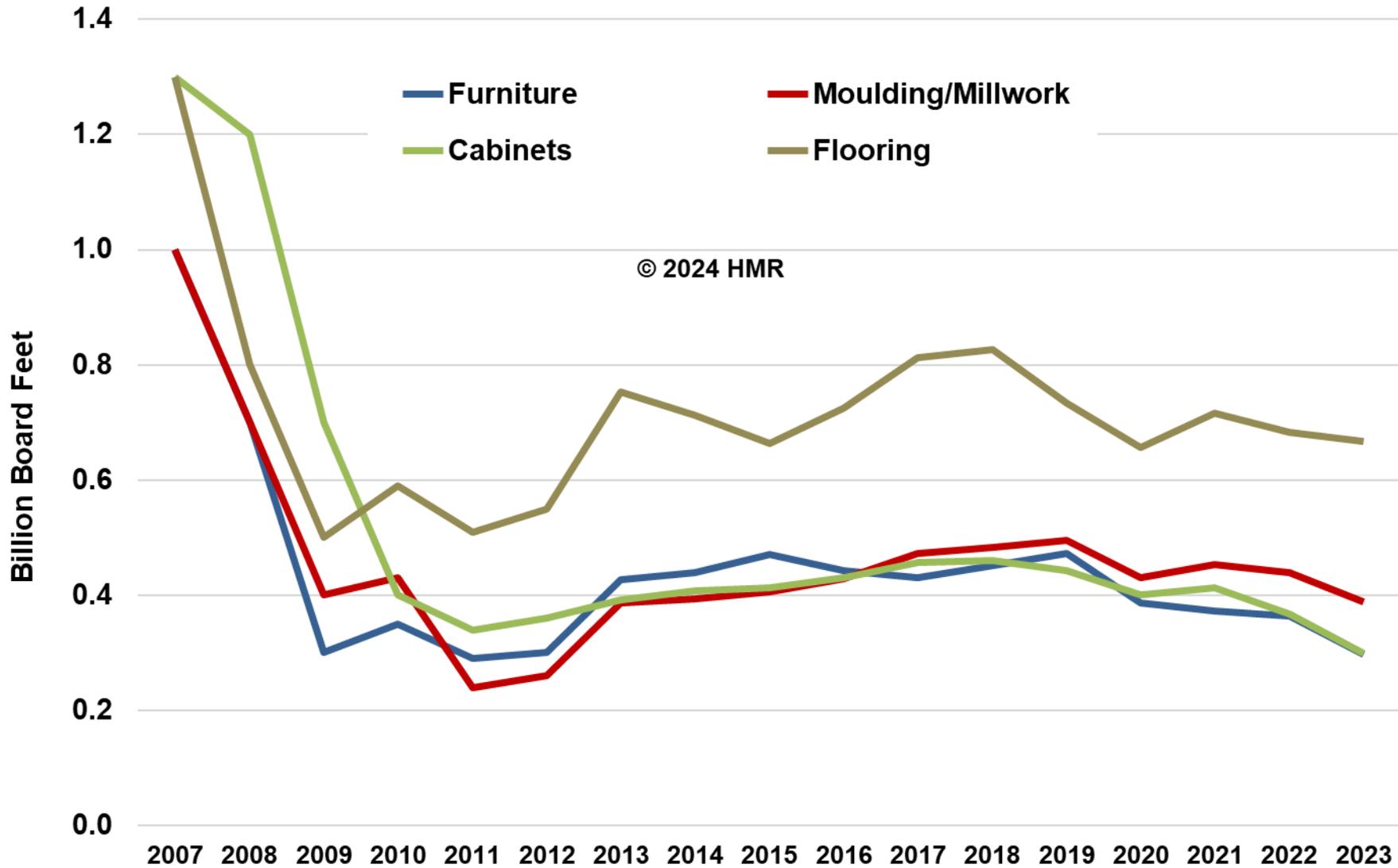


Hardwood Lumber Consumption by Major US Markets, 2023

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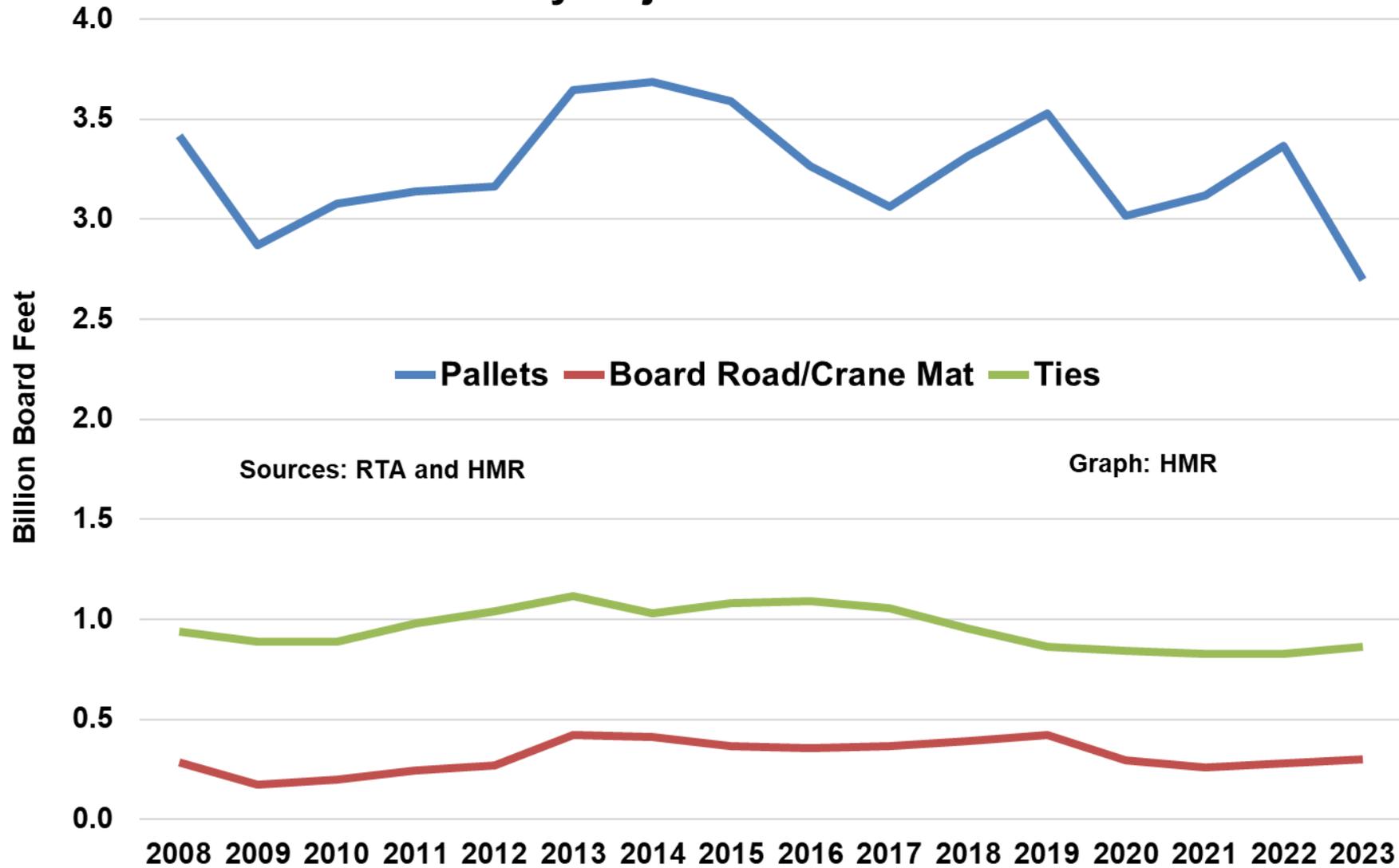
Consumption of Grade Hardwood Lumber by Domestic Major US Market Sectors



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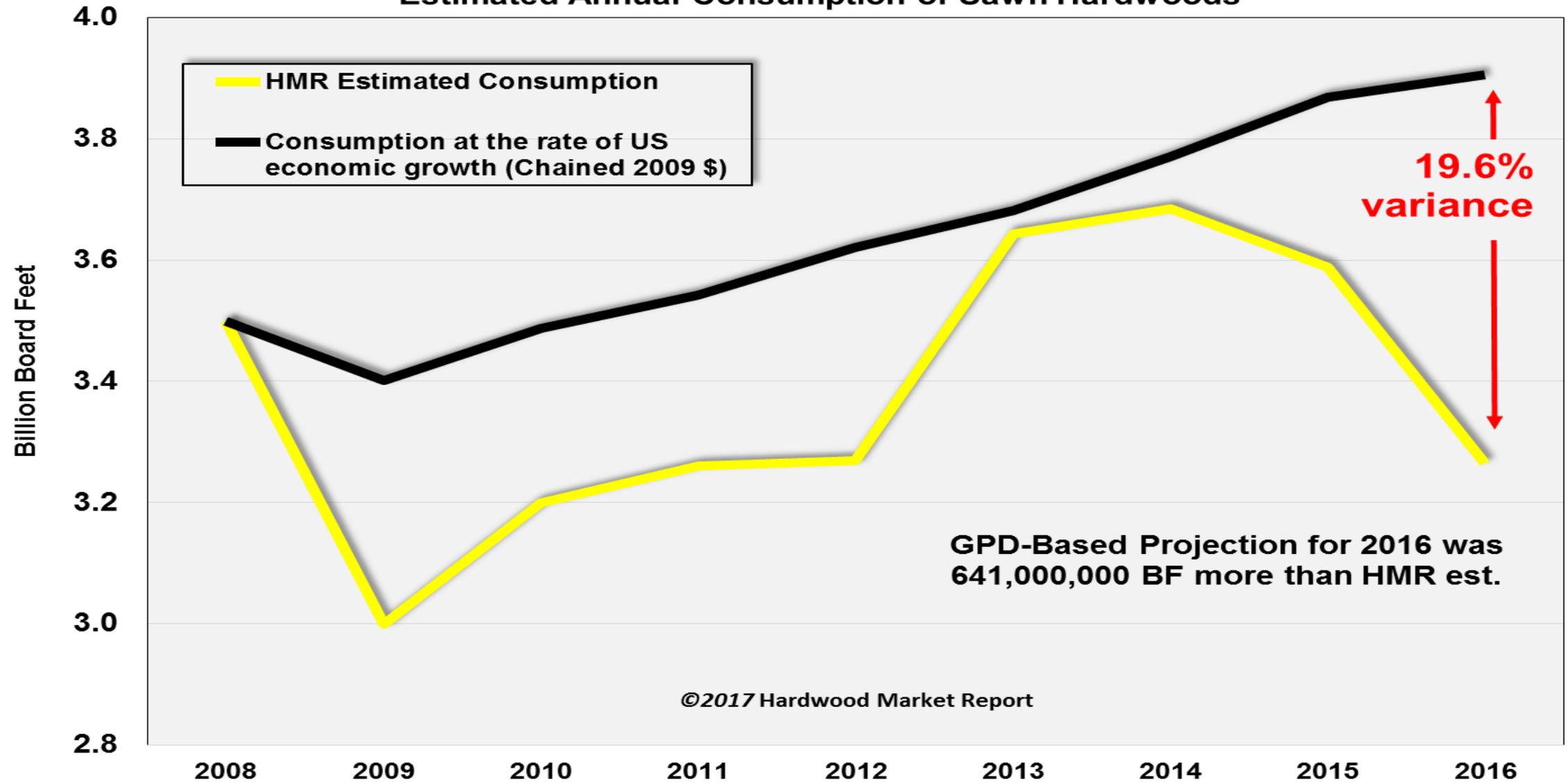


Consumption of Industrial Hardwood Lumber by Major US Markets

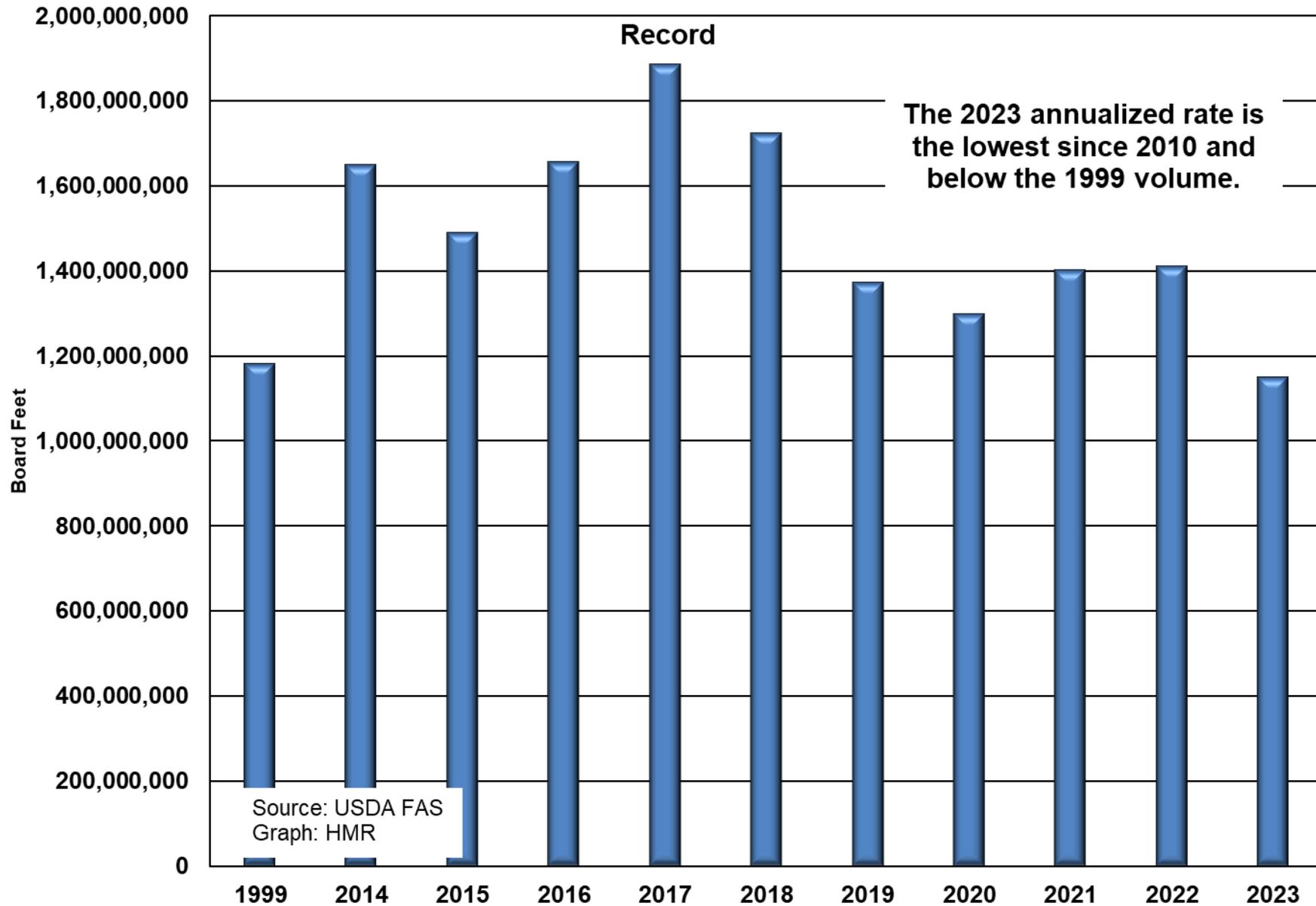


US Wooden Packaging and Container Industry

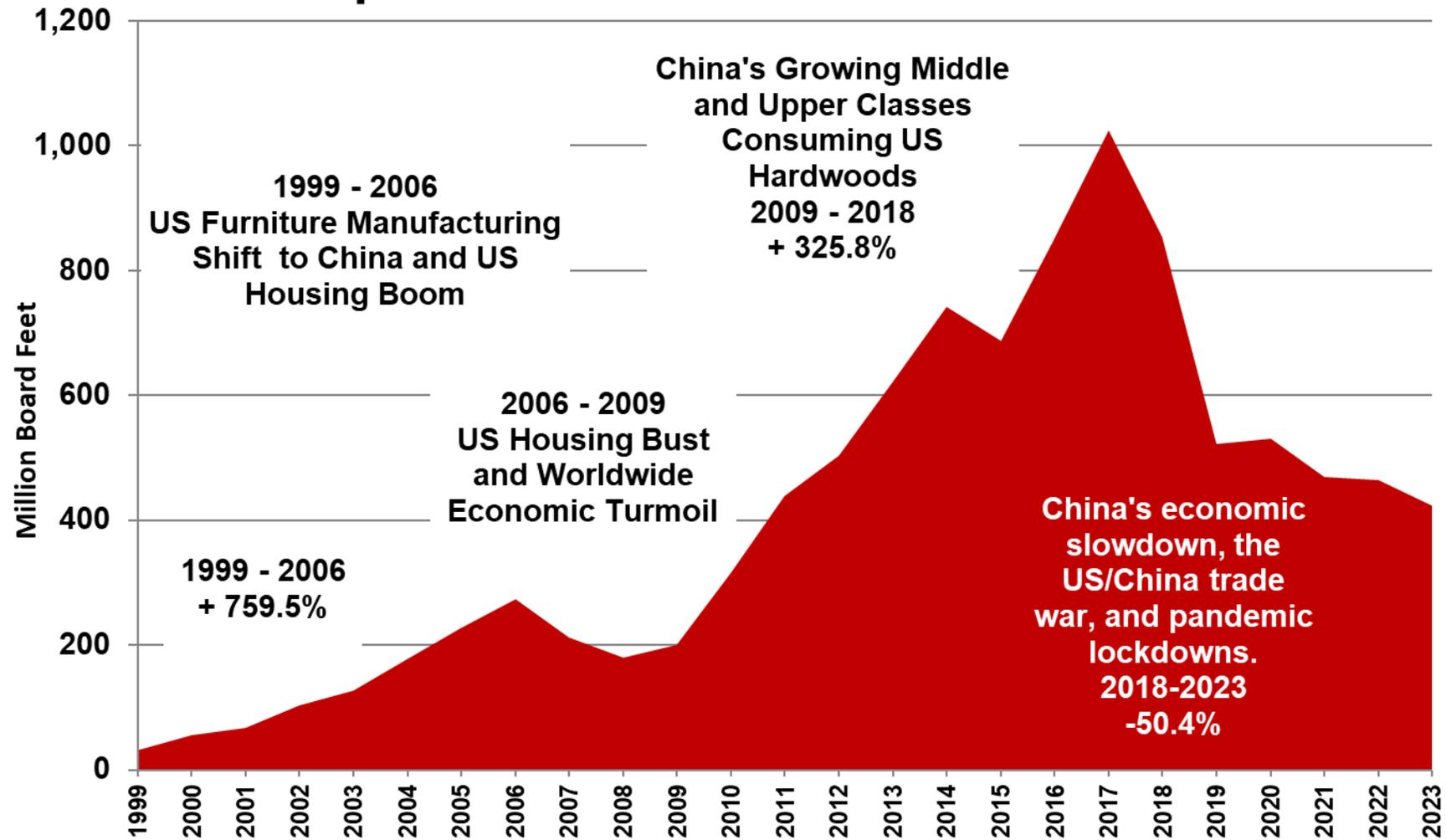
Estimated Annual Consumption of Sawn Hardwoods



US Exports of Hardwood Lumber



US Exports of Hardwood Lumber to China

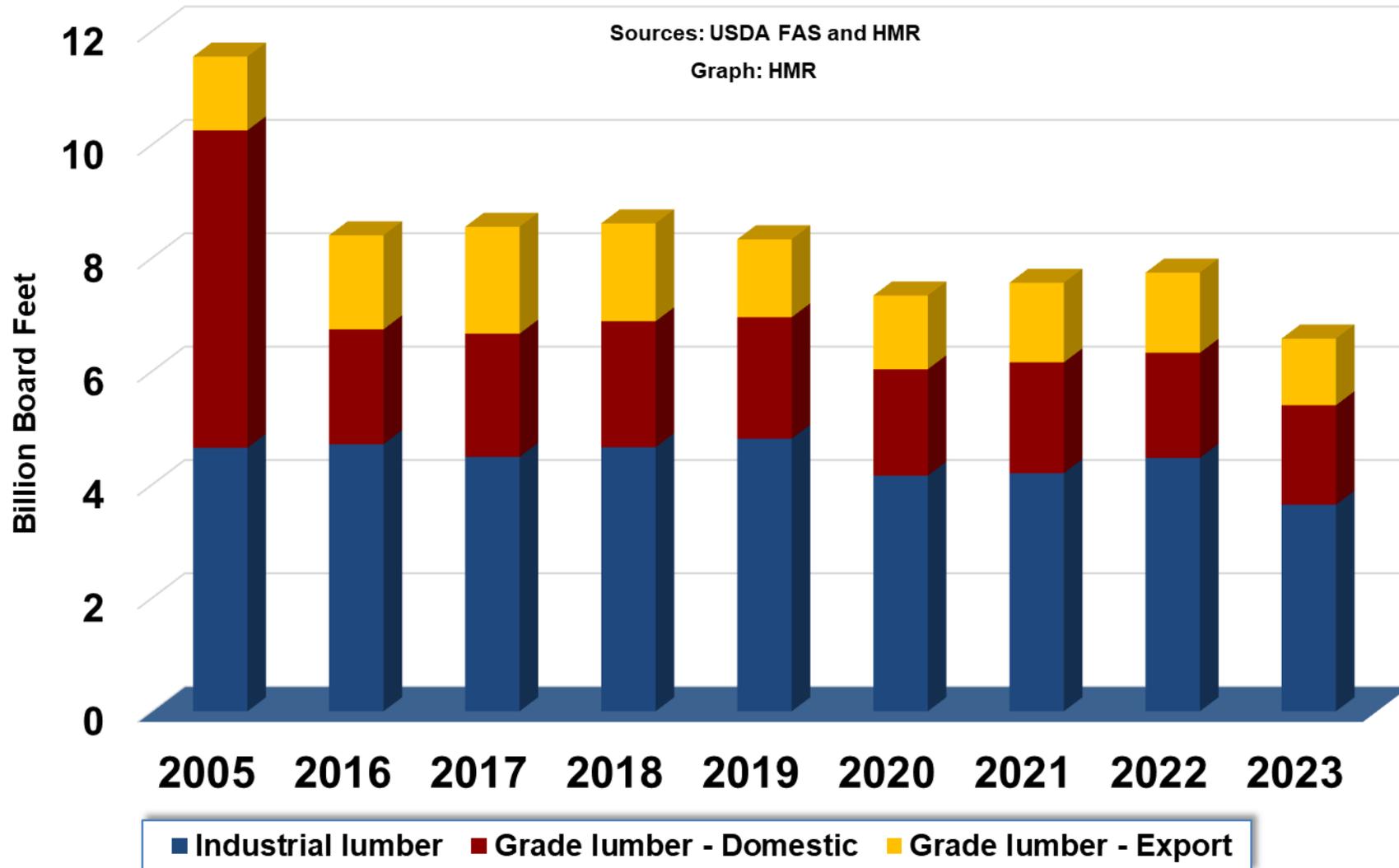


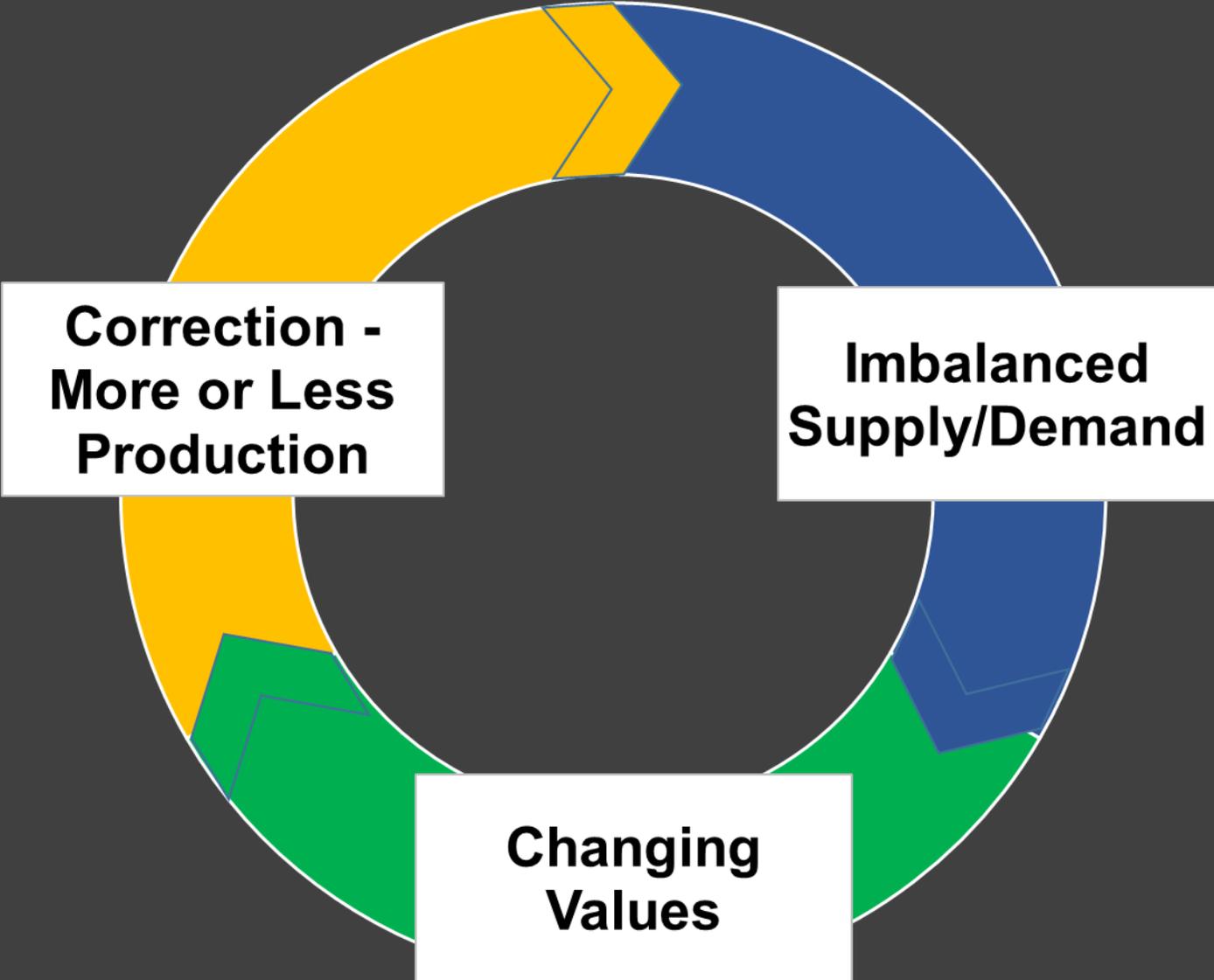
Source: USDA FAS

Graph: HMR



Hardwood Consumption by US Industrial and Grade Lumber Markets



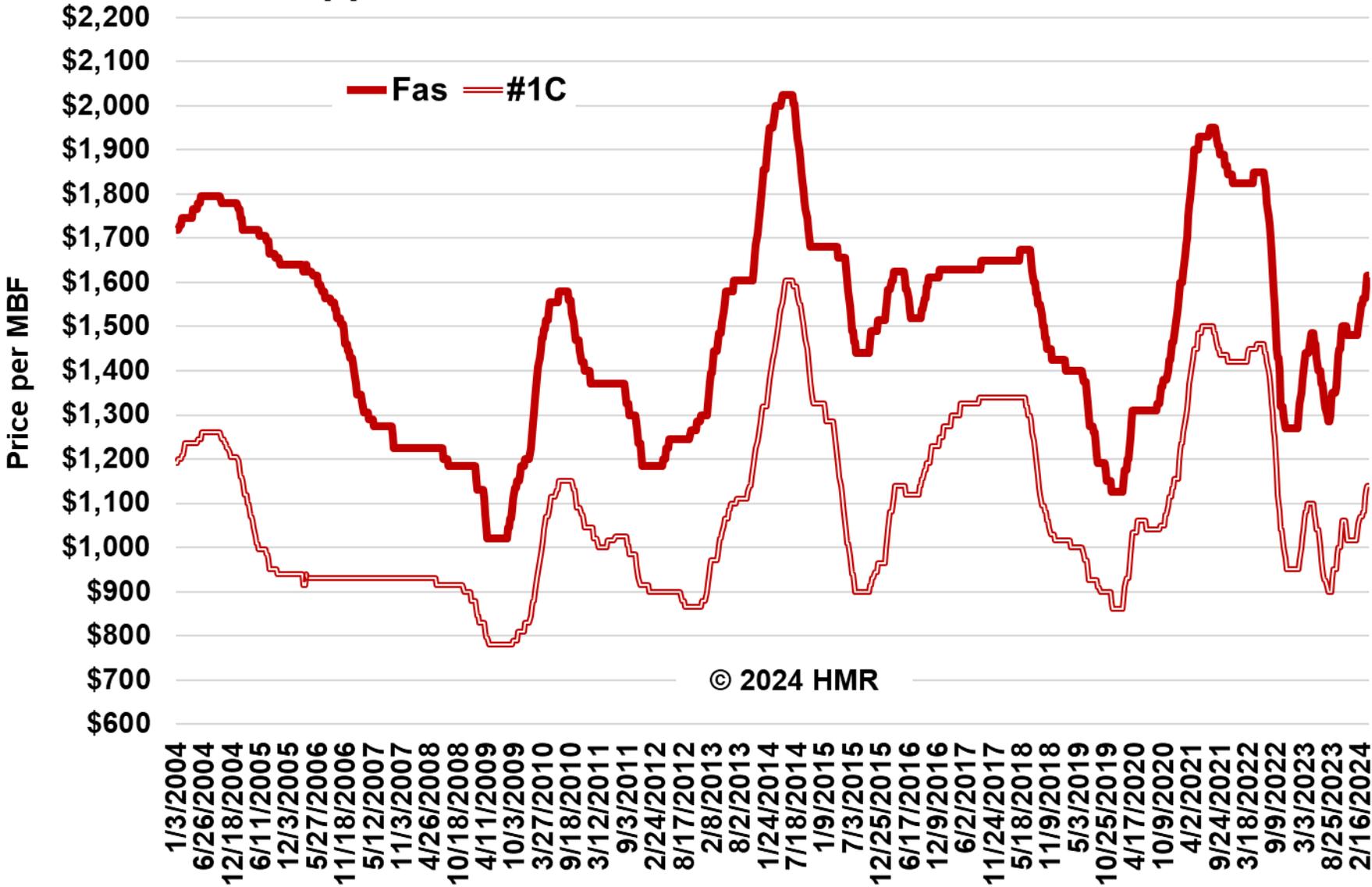


**Correction -
More or Less
Production**

**Imbalanced
Supply/Demand**

**Changing
Values**

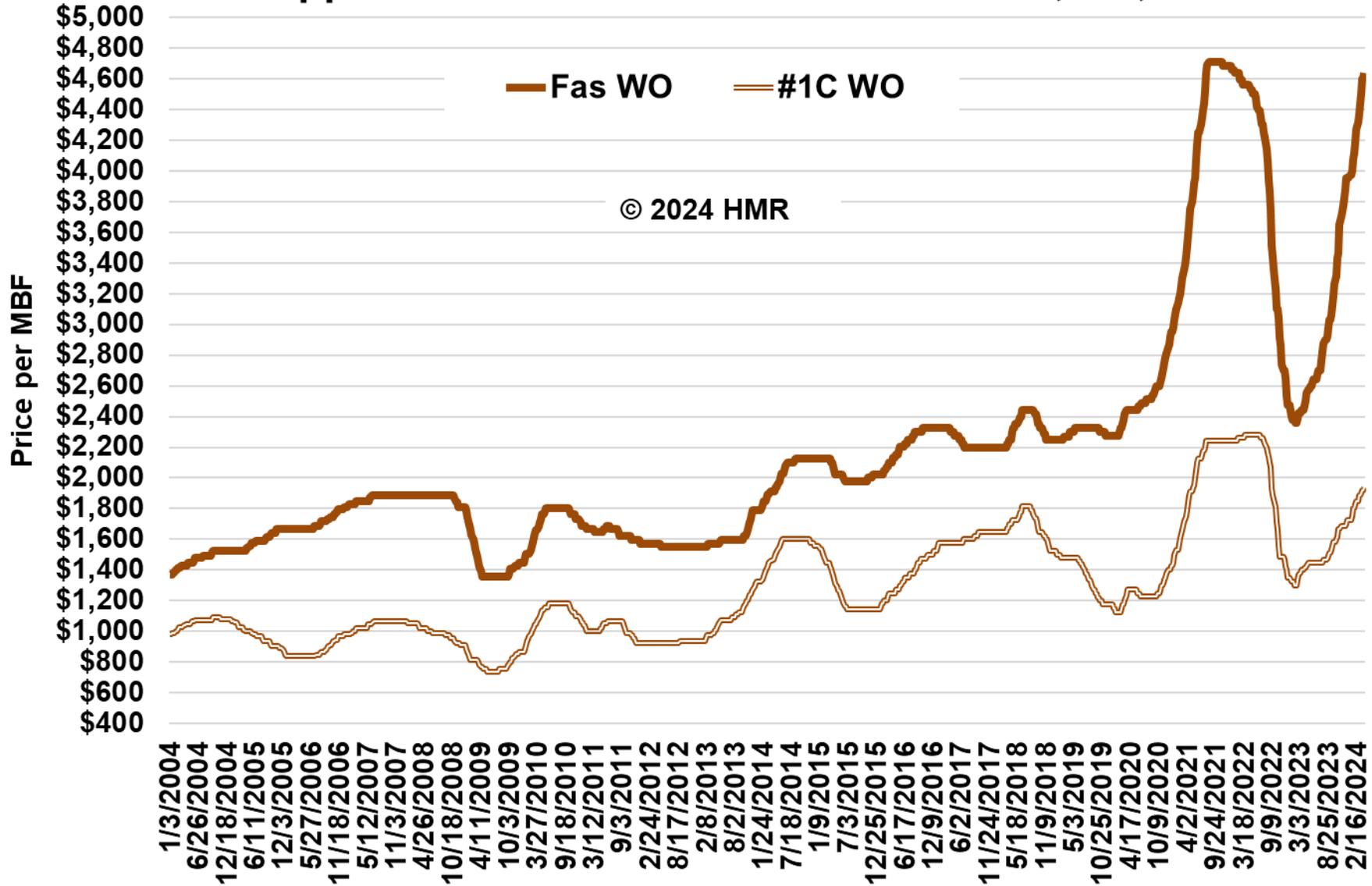
Appalachian 4/4 Fas and #1C Red Oak, KD, Net



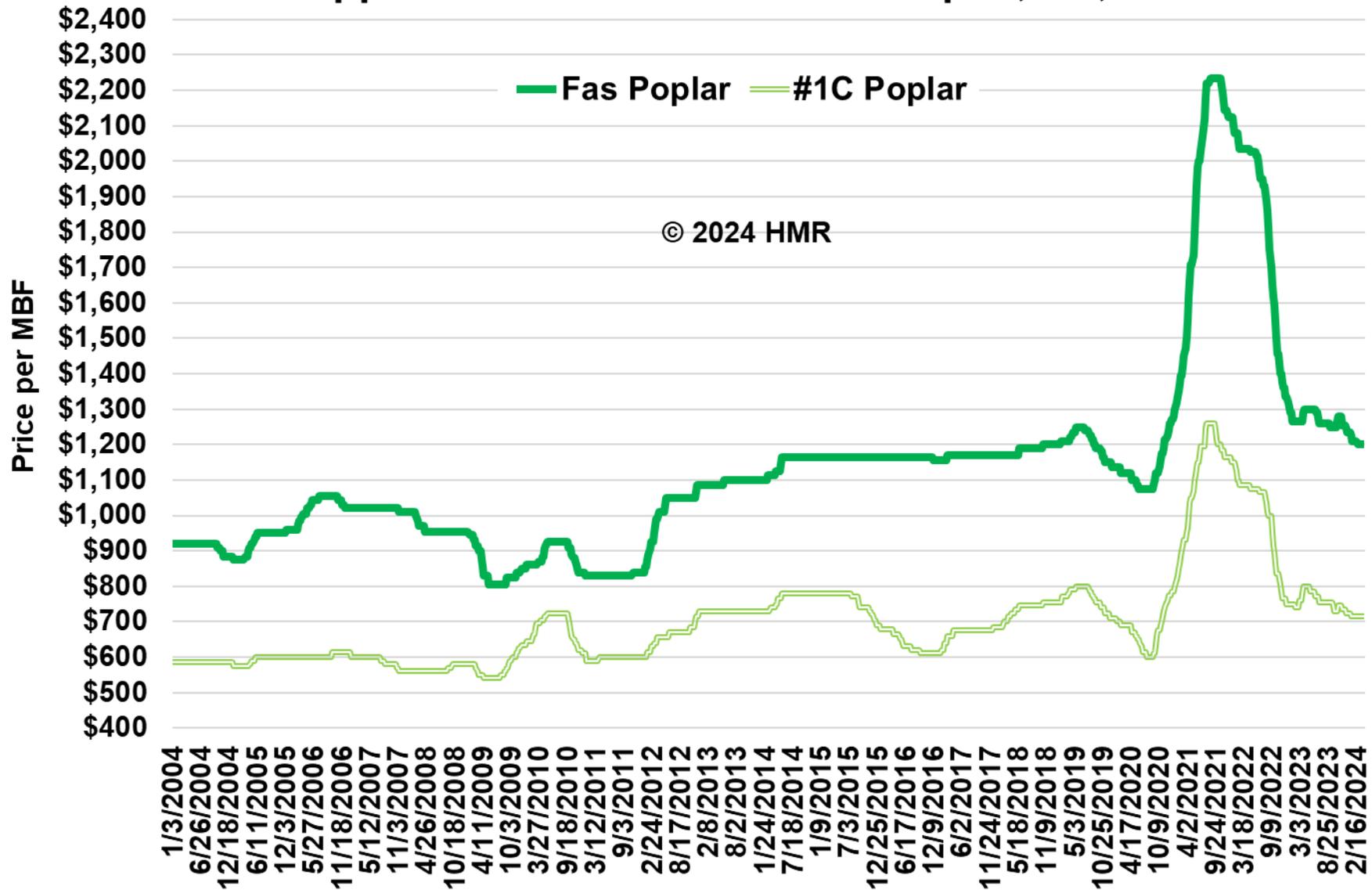
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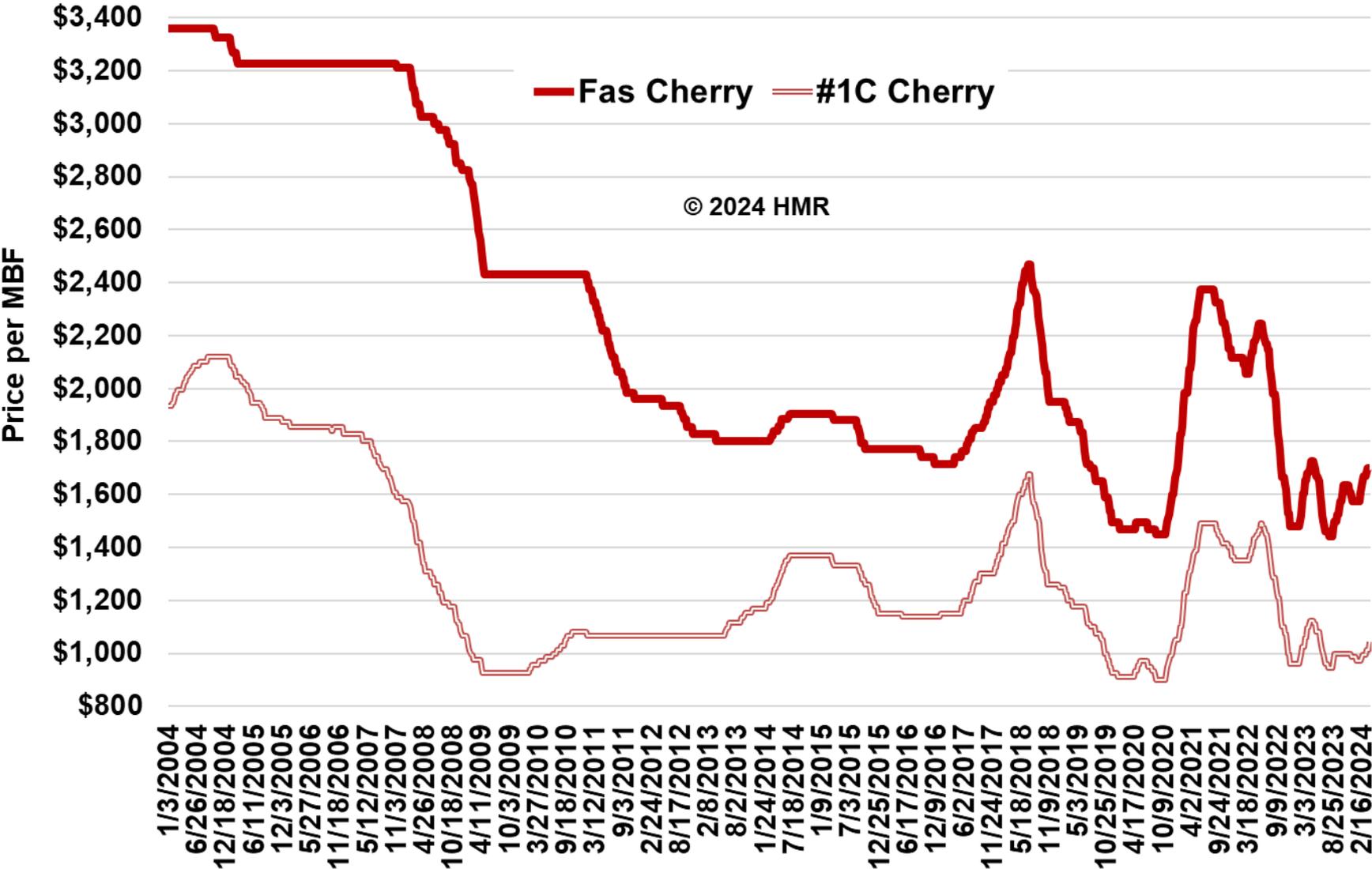
Appalachian 4/4 Fas and #1C White Oak, KD, Net



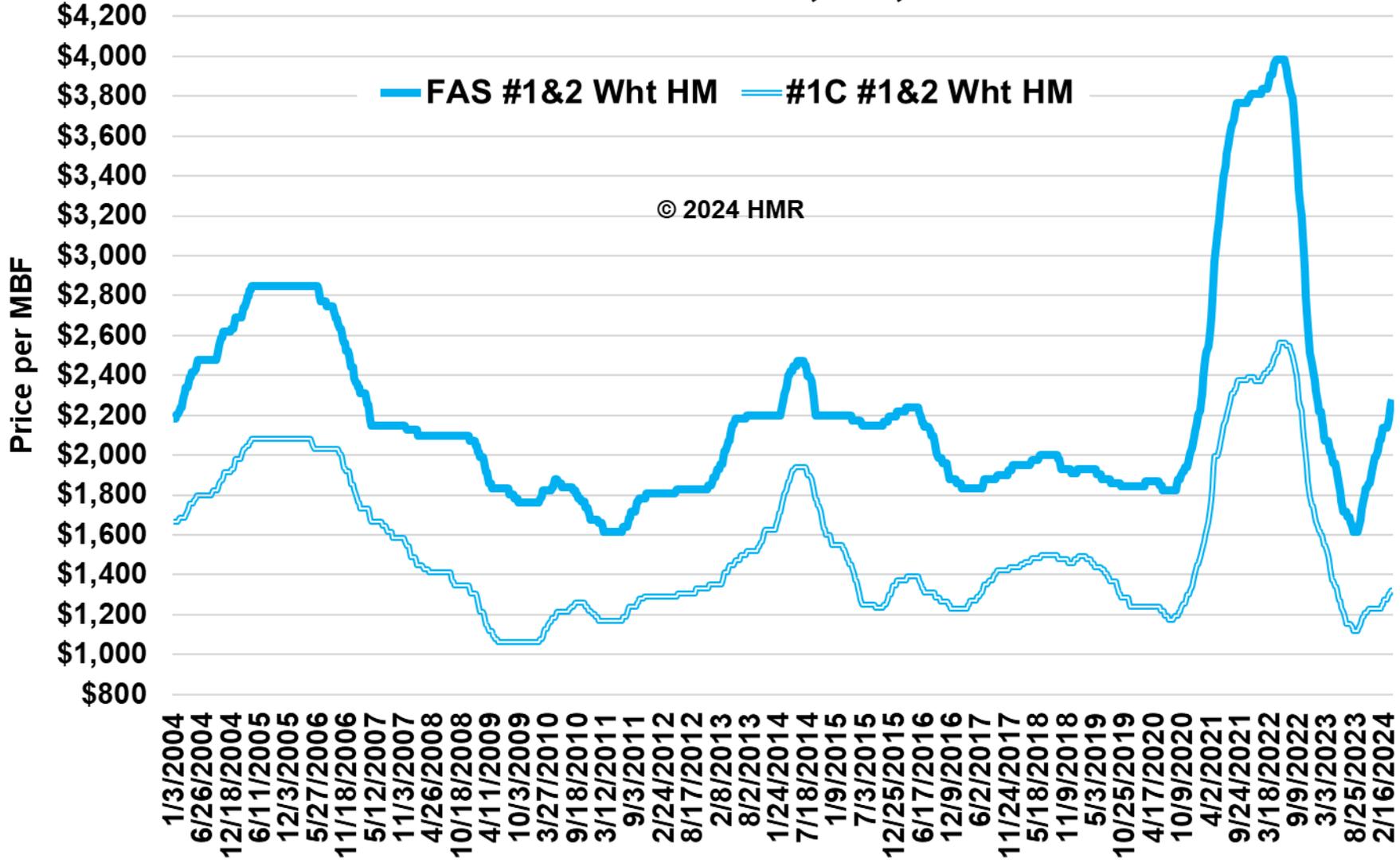
Appalachian 4/4 Fas and #1C Poplar, KD, Net



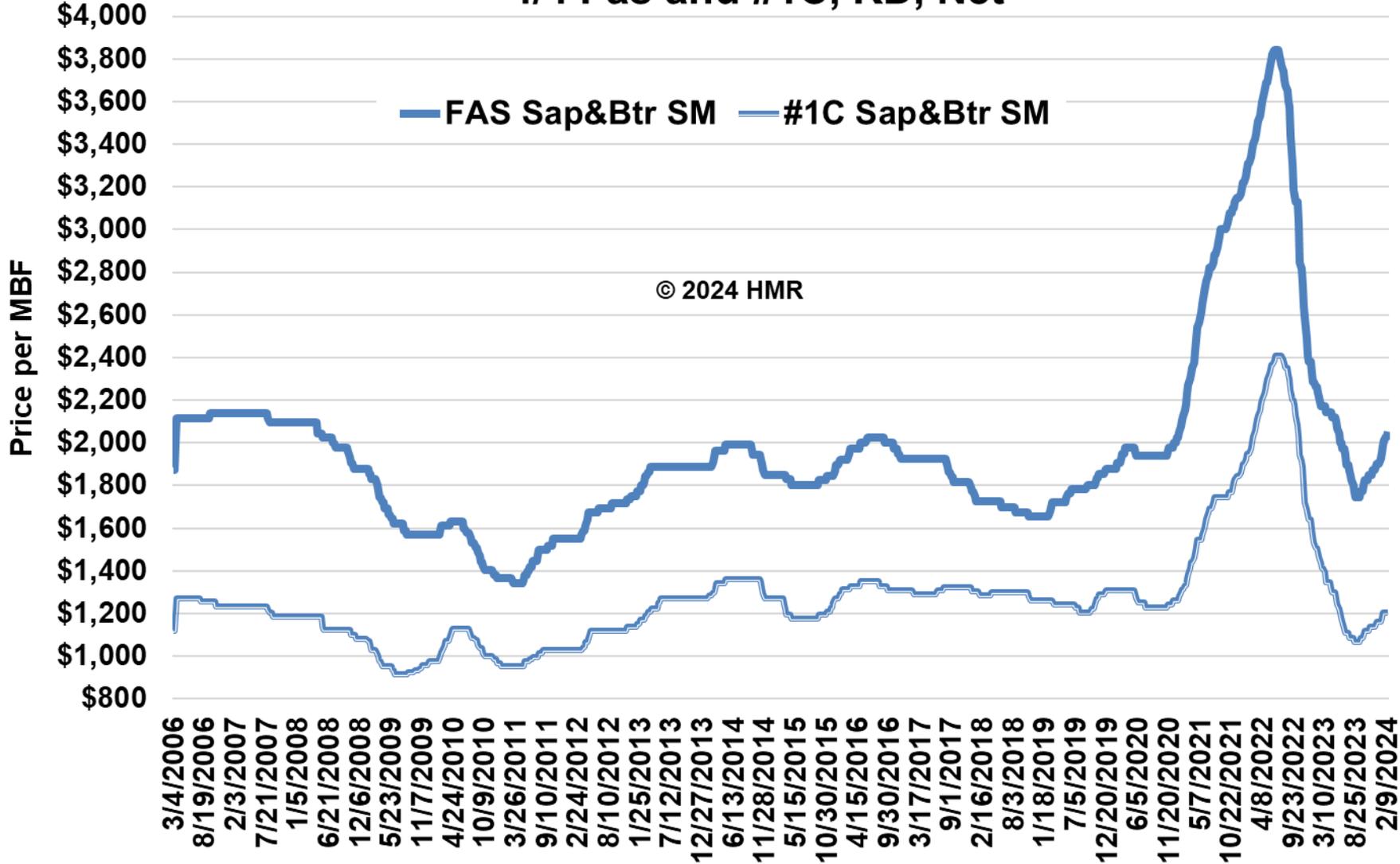
Appalachian 4/4 Fas and #1C Cherry, KD, Net



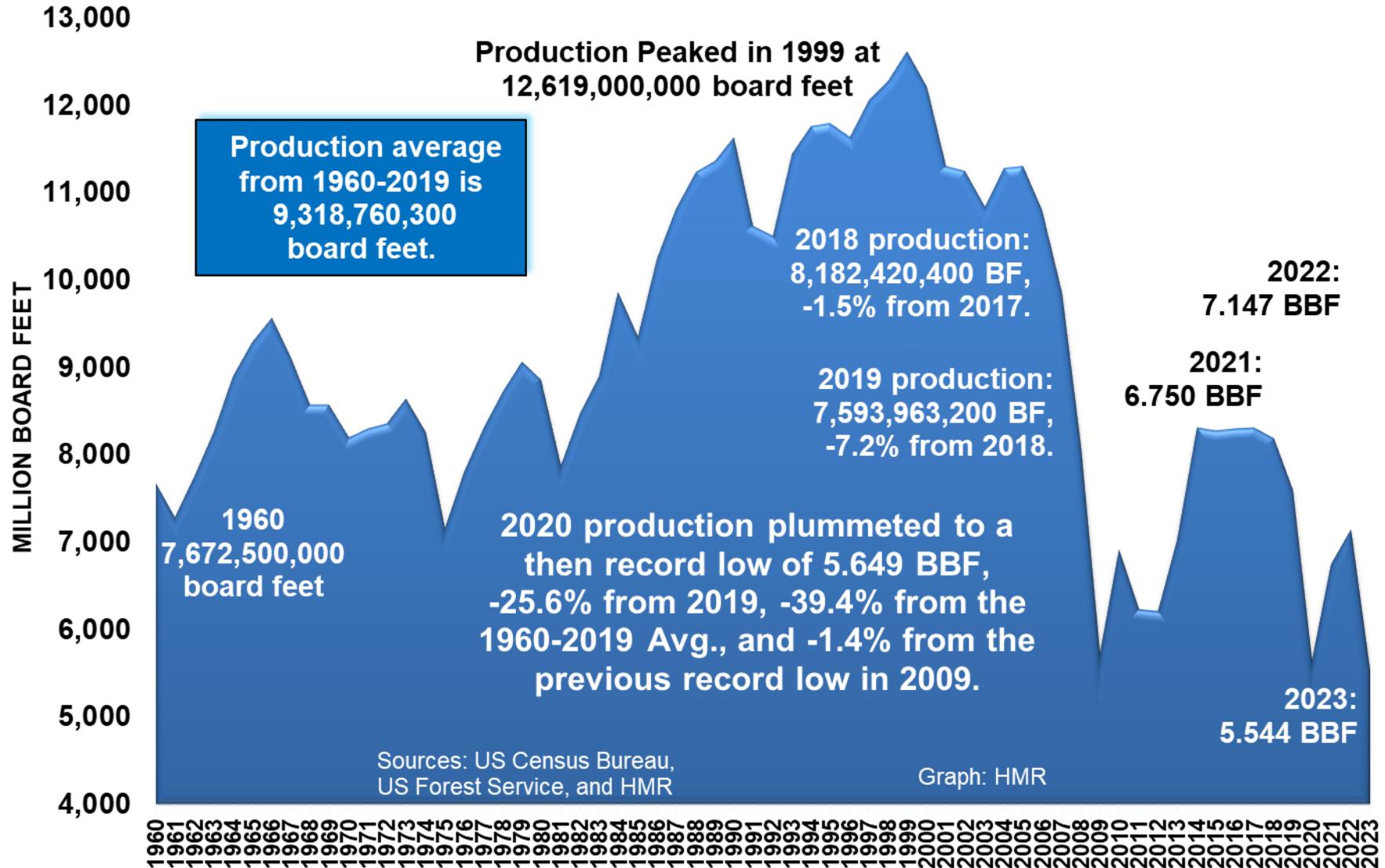
Northern #1&2 White Hard Maple, 4/4 Fas and #1C, KD, Net



Northern Sap&Btr Soft Maple, 4/4 Fas and #1C, KD, Net

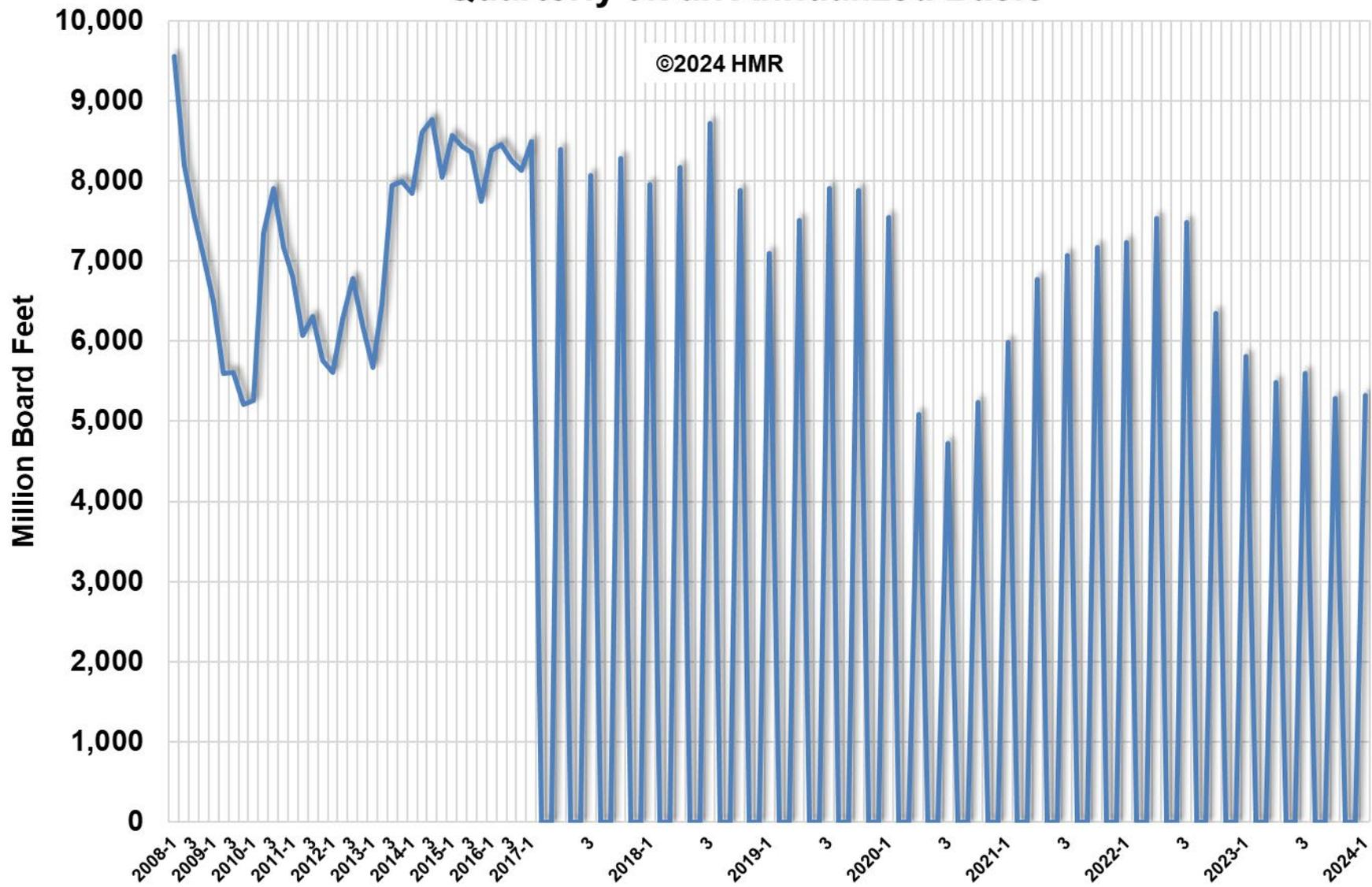


Eastern US Hardwood Sawmill Production

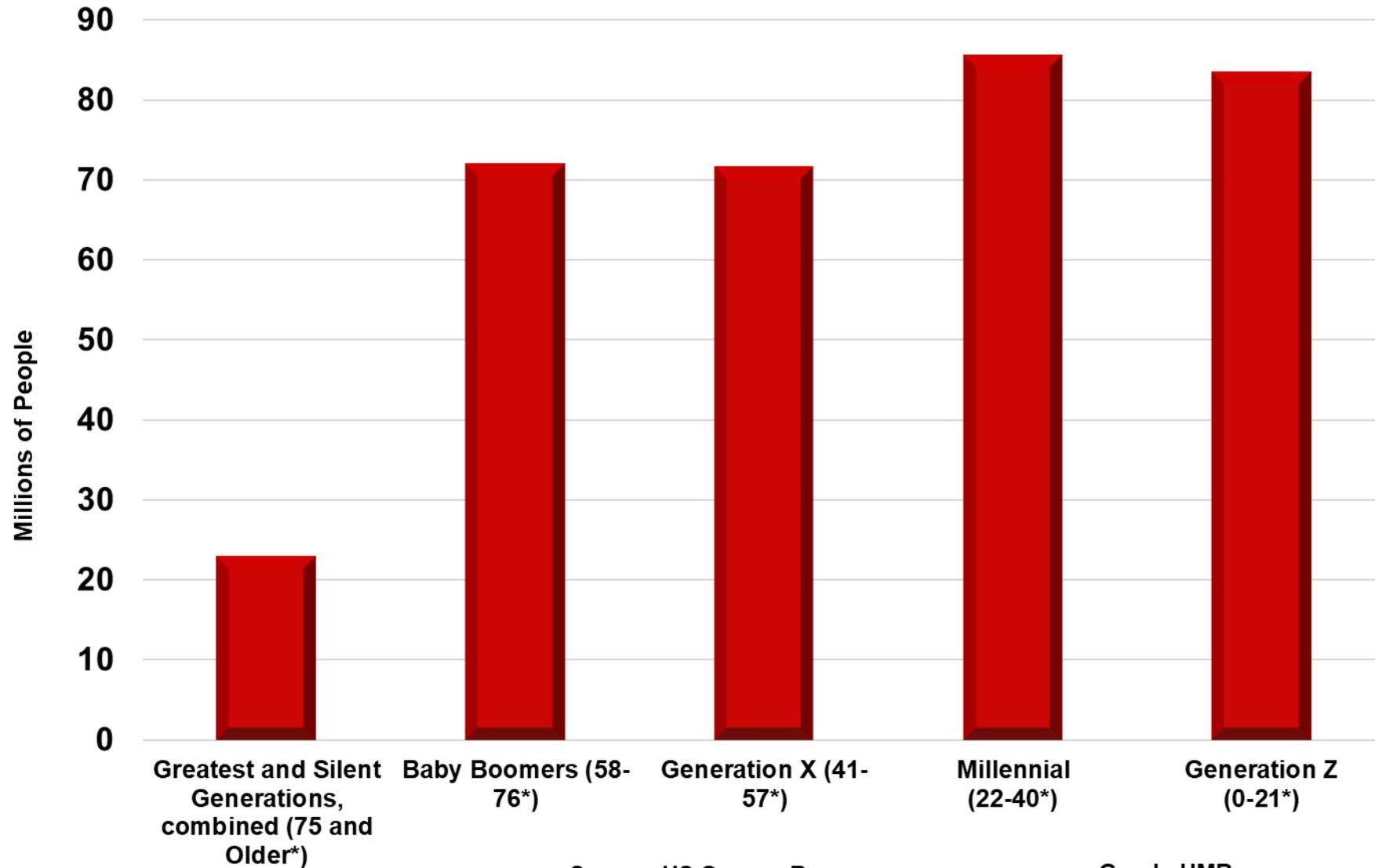


Eastern US Hardwood Sawmill Production

Quarterly on an Annualized Basis



Population of The United States by Generation



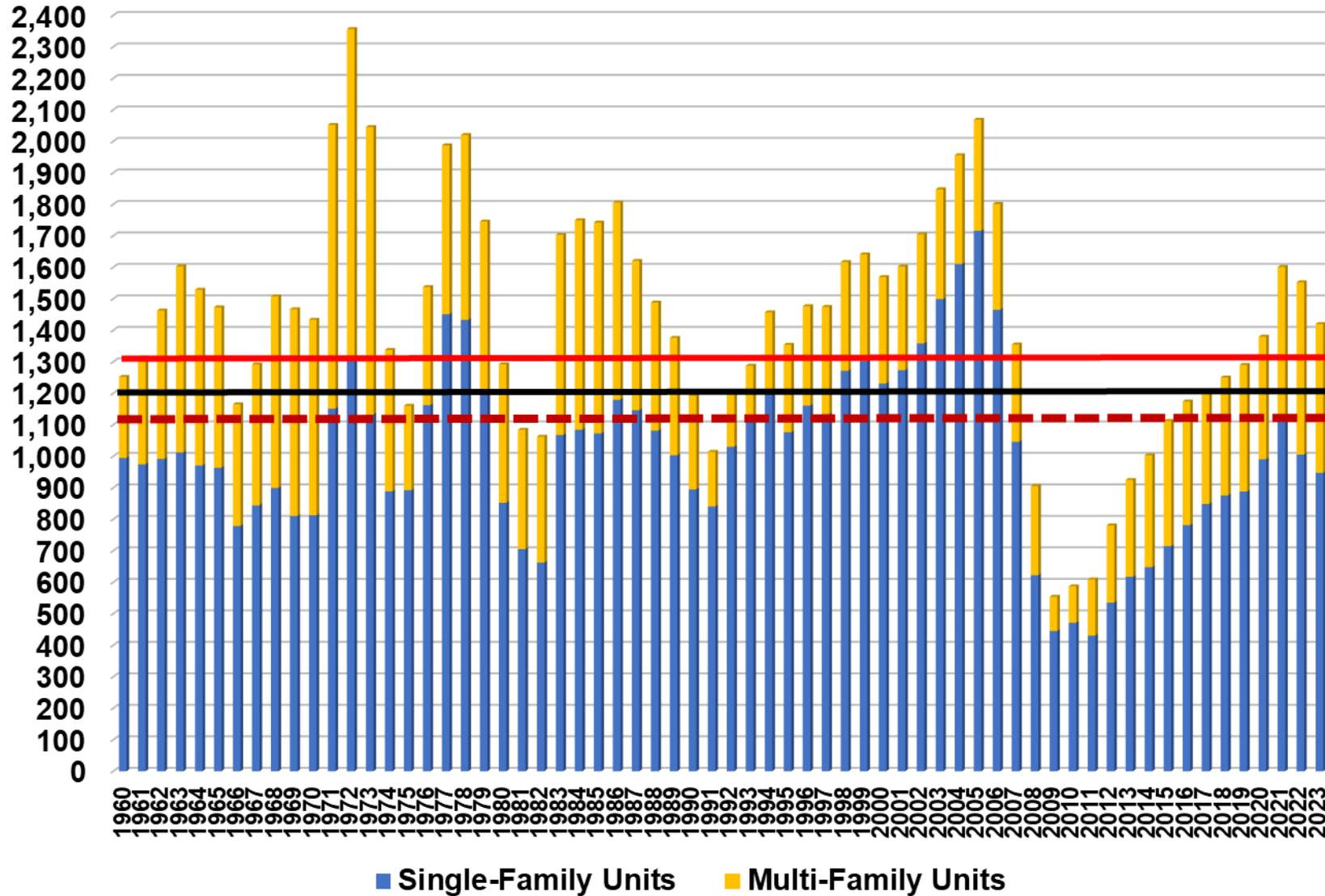
Source: US Census Bureau

Graph: HMR

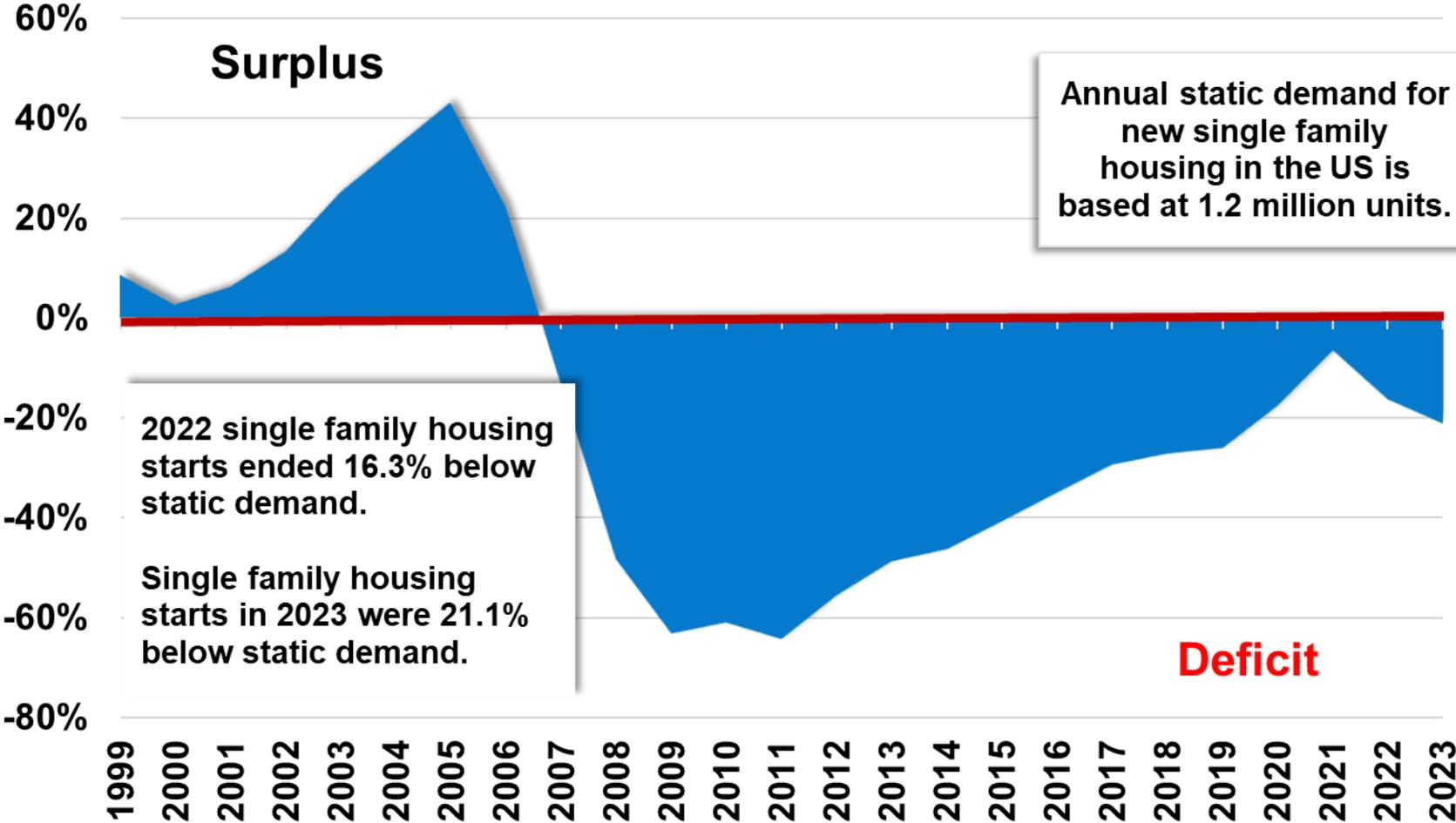


US Residential Construction

New Single-Family and Multi-Family Housing Units



US Single Family Housing Starts Percentage Variance From Static Demand

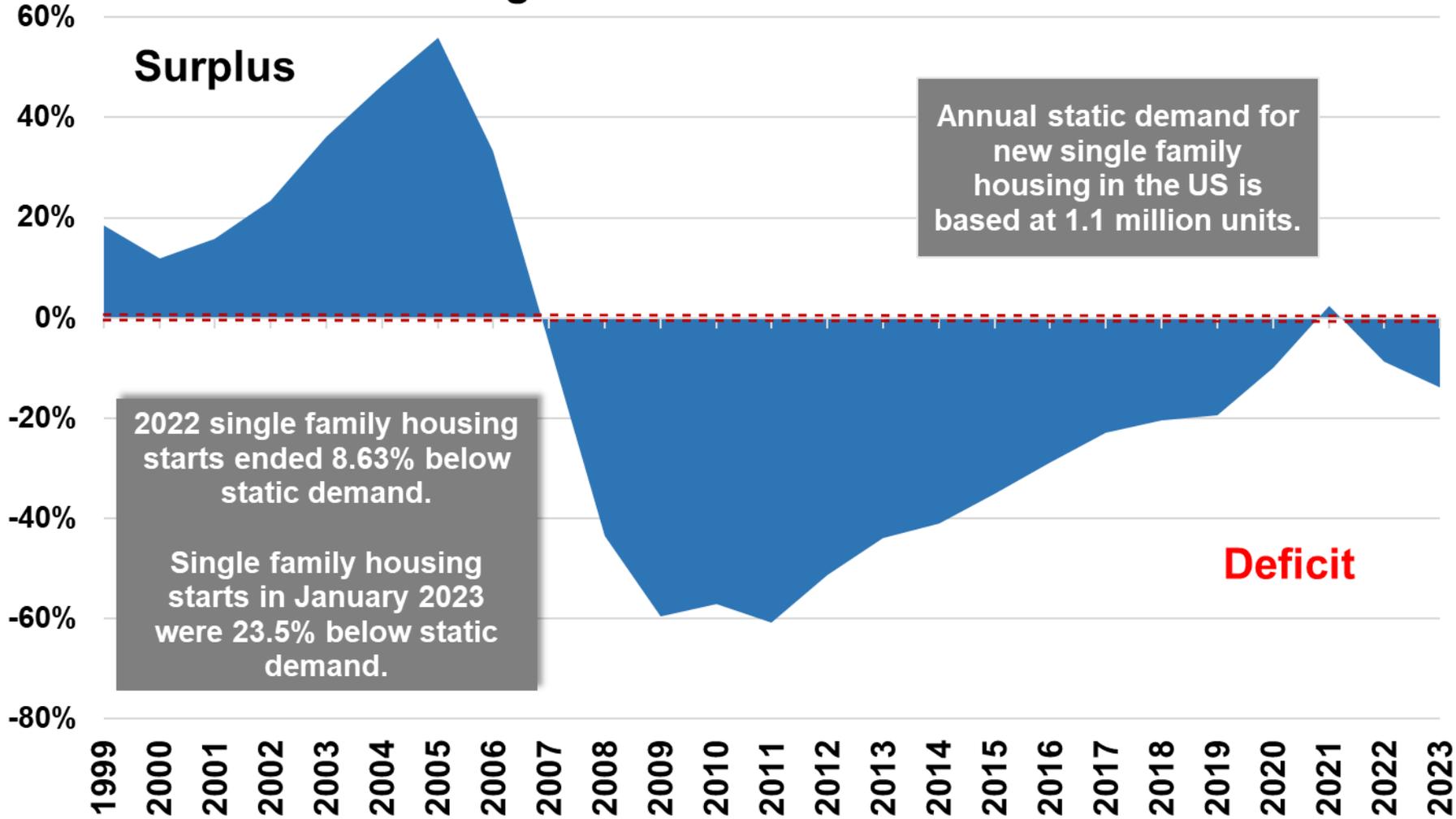


Sources: US Census Bureau and HMR

Graph: HMR



US Single Family Housing Starts Percentage Variance From Static Demand

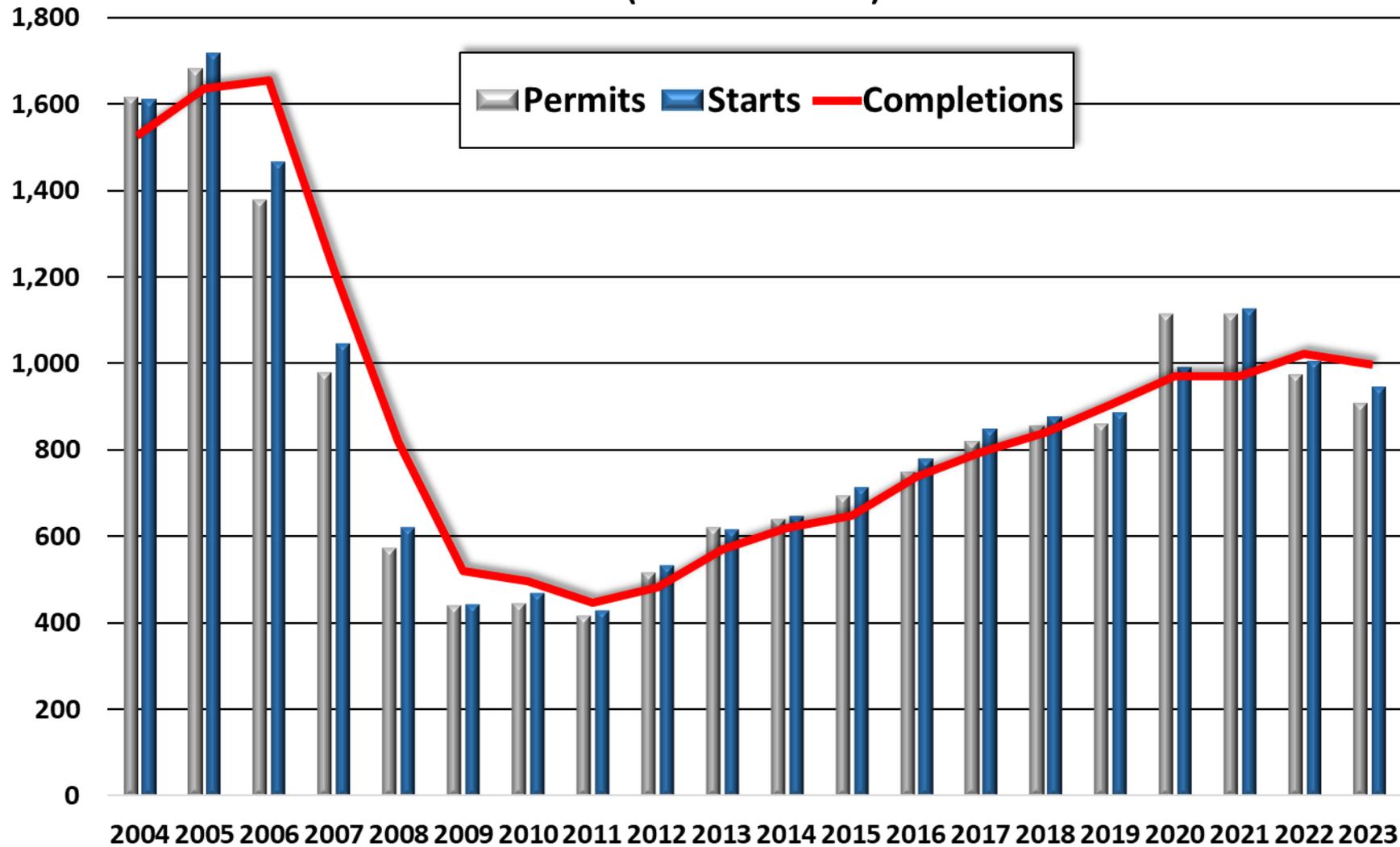


Source: us Census Bureau

Graph: HMR



US Single Family Housing Permits, Starts, and Completions (Thousand Units)

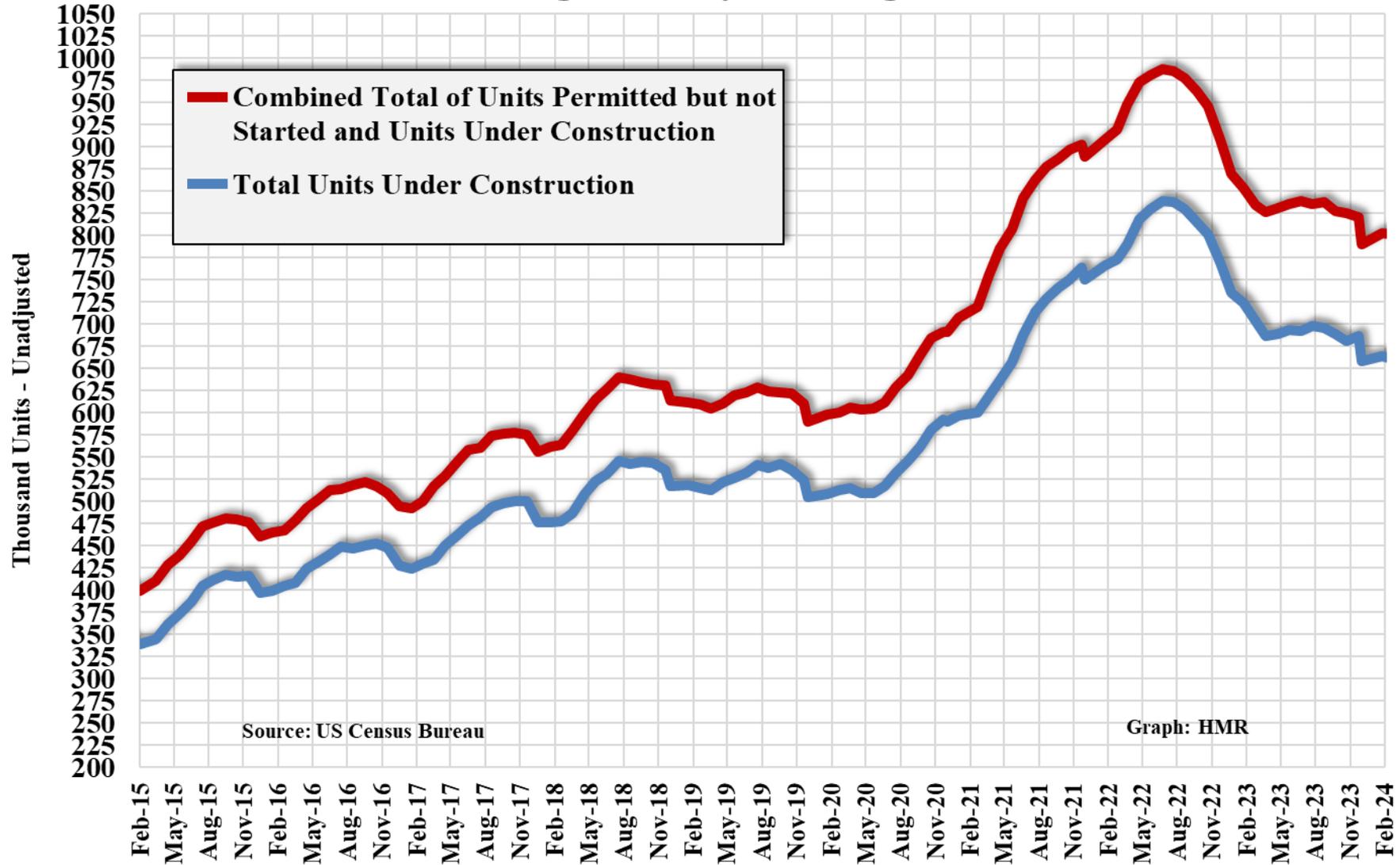


Source: US Census Bureau

Graph: HMR

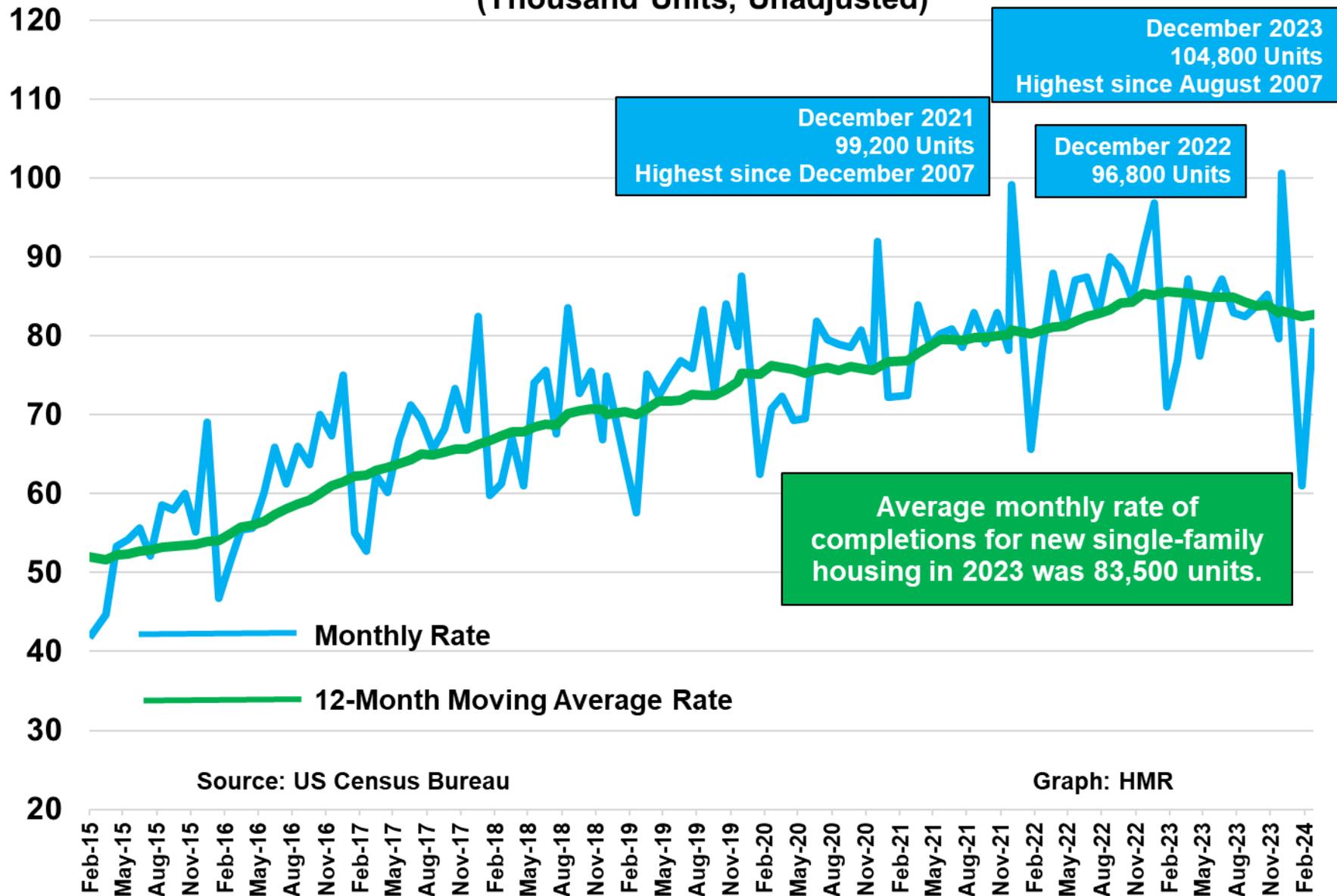


In-process and Permitted Construction of New Single Family Housing in the US



New Single-Family Housing Completions in the US

(Thousand Units, Unadjusted)

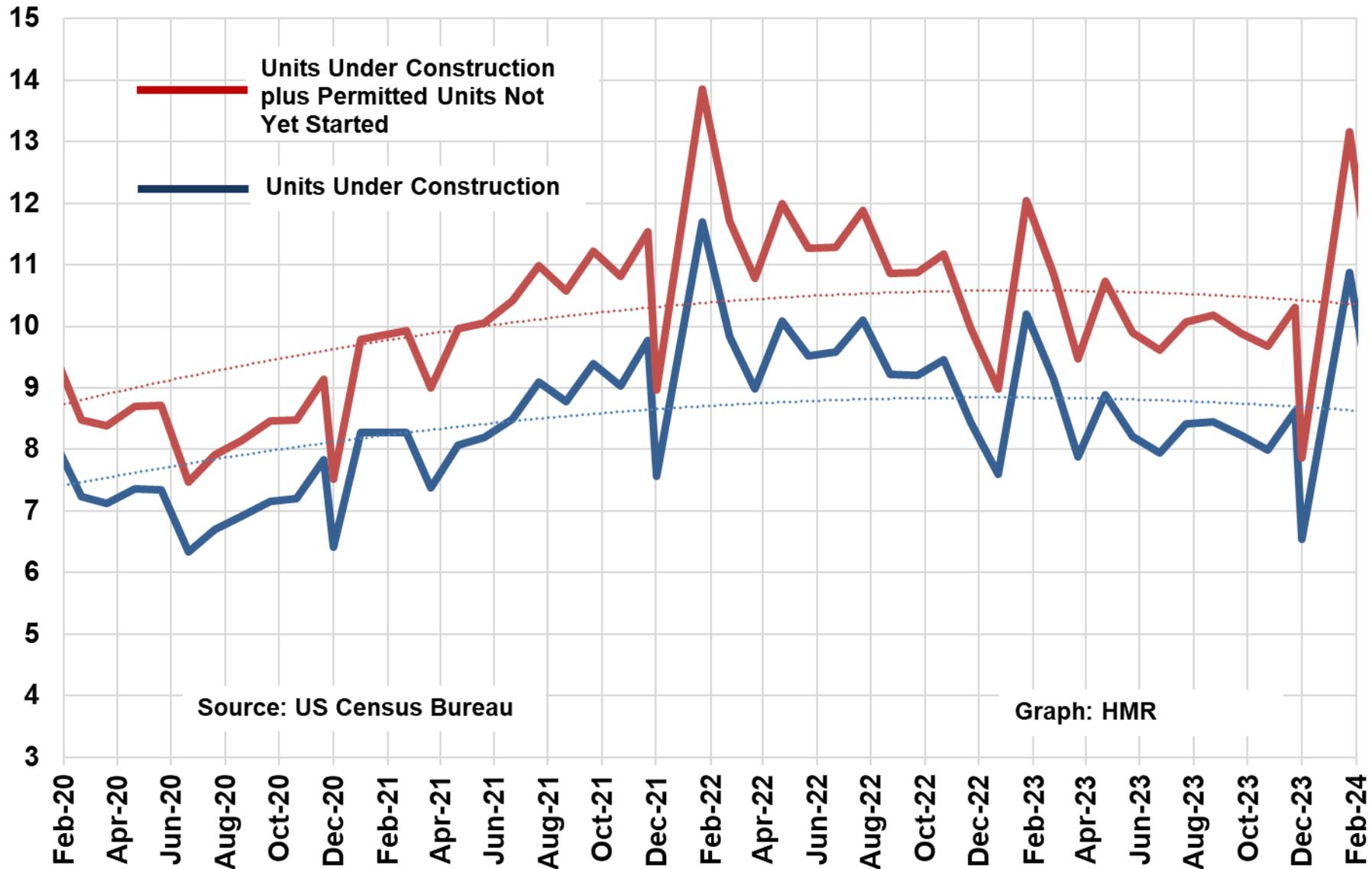


Source: US Census Bureau

Graph: HMR



Months' Supply of Single-Family Housing Under Construction and Permitted but Not Started

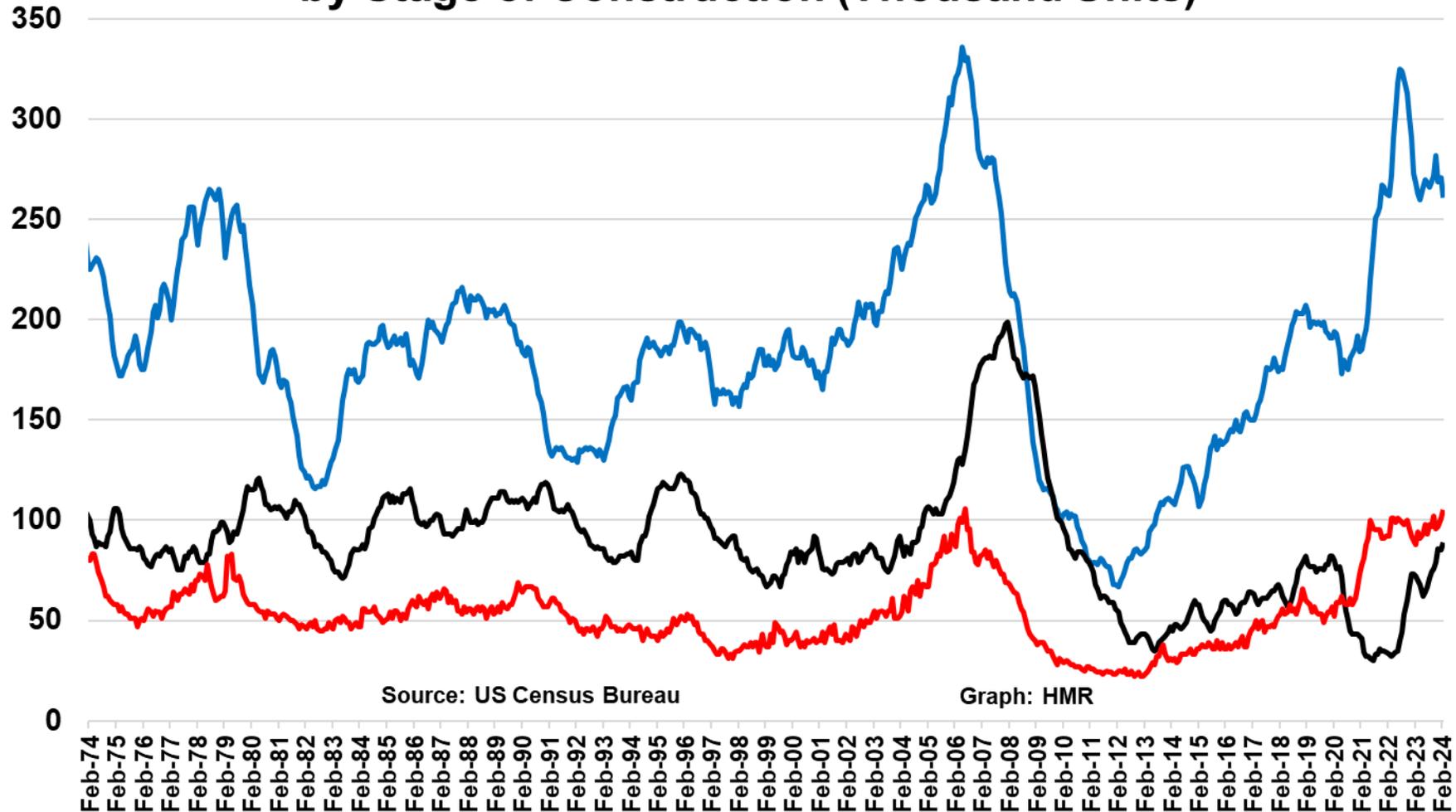


Source: US Census Bureau

Graph: HMR



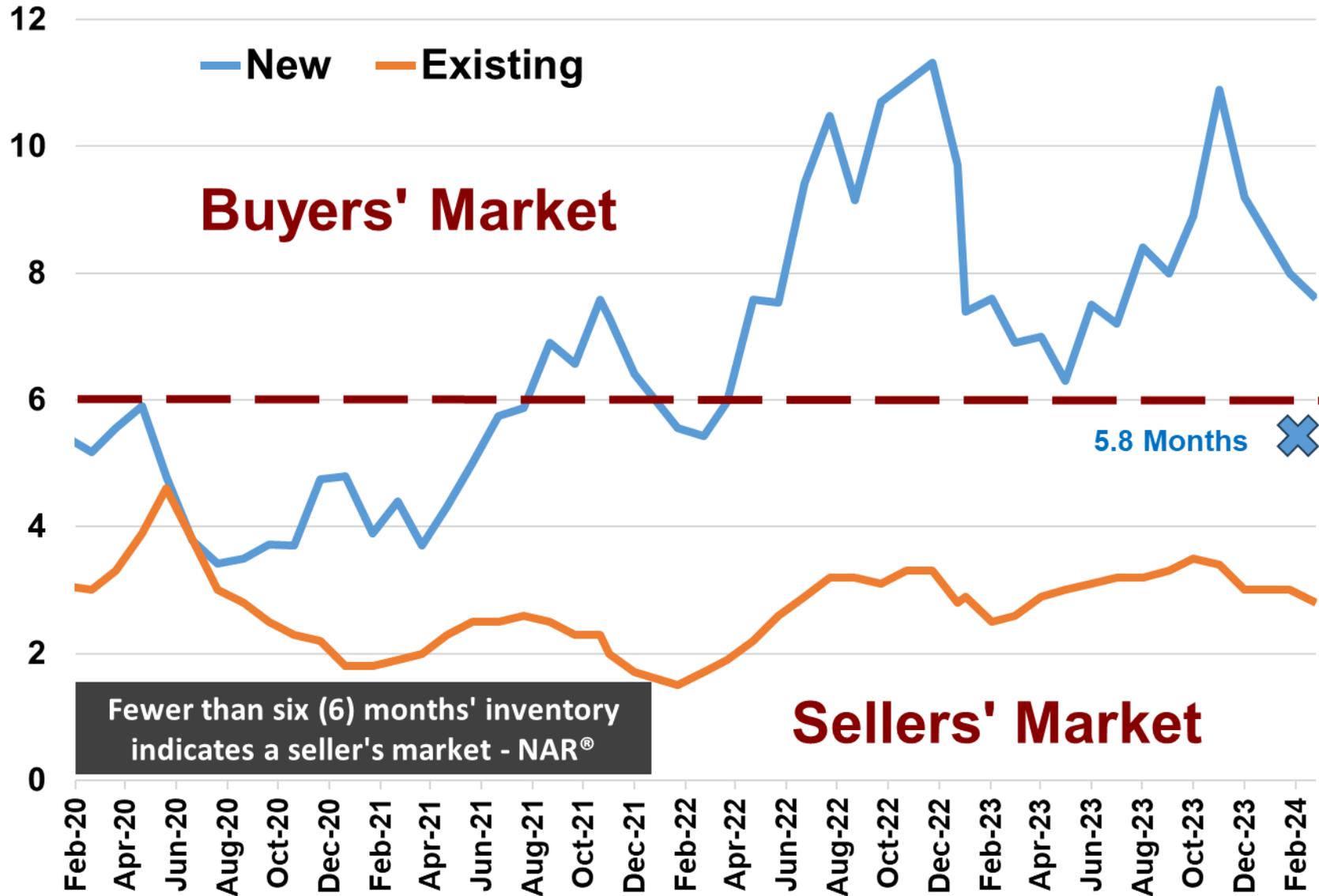
New Single Family Housing Inventory in the US by Stage of Construction (Thousand Units)



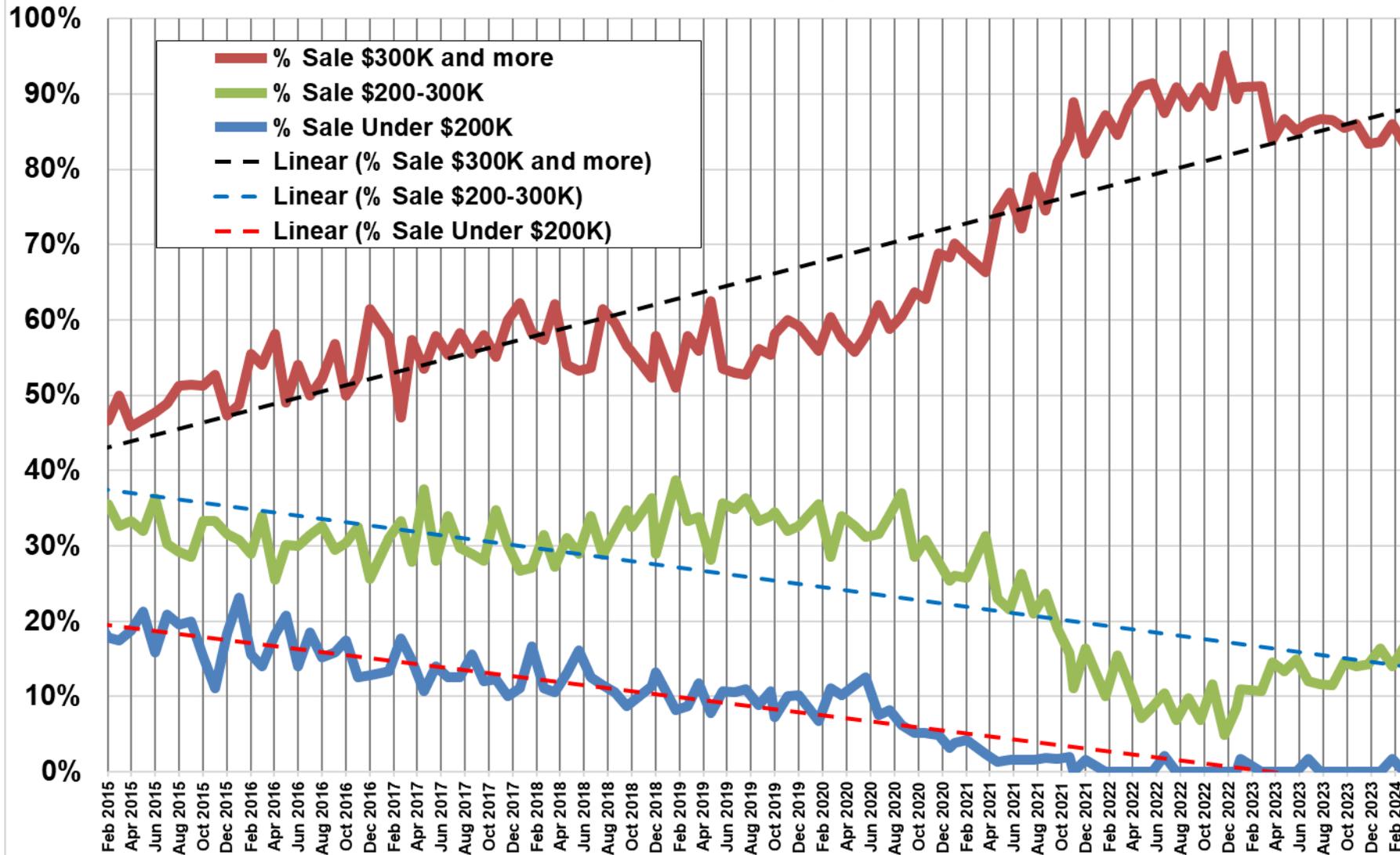
— Under Construction — Completed — Not Started



Months' Supply of Housing Inventory



Sales Prices of New Single Family Houses

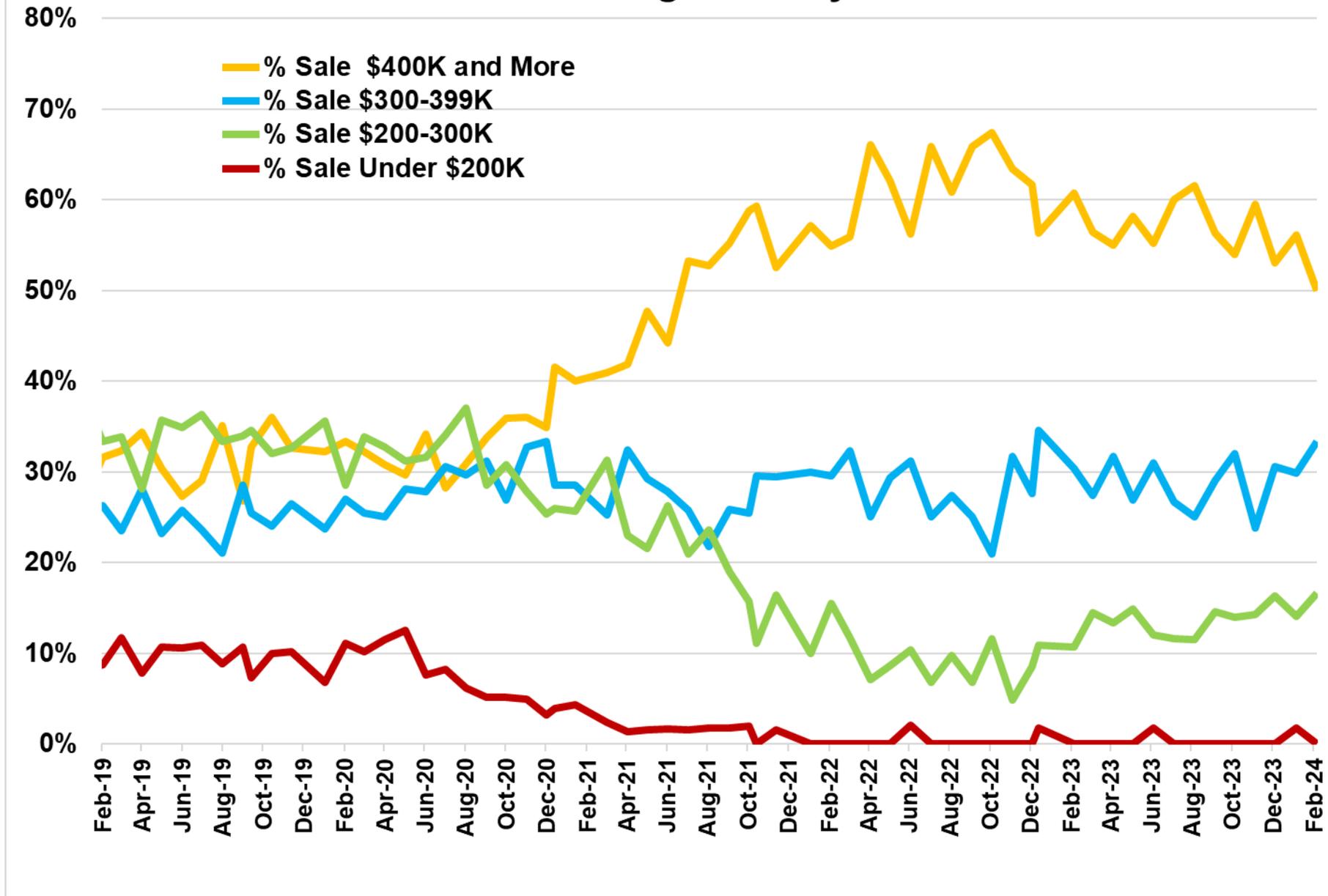


Source: US Census Bureau

Graph:HMR

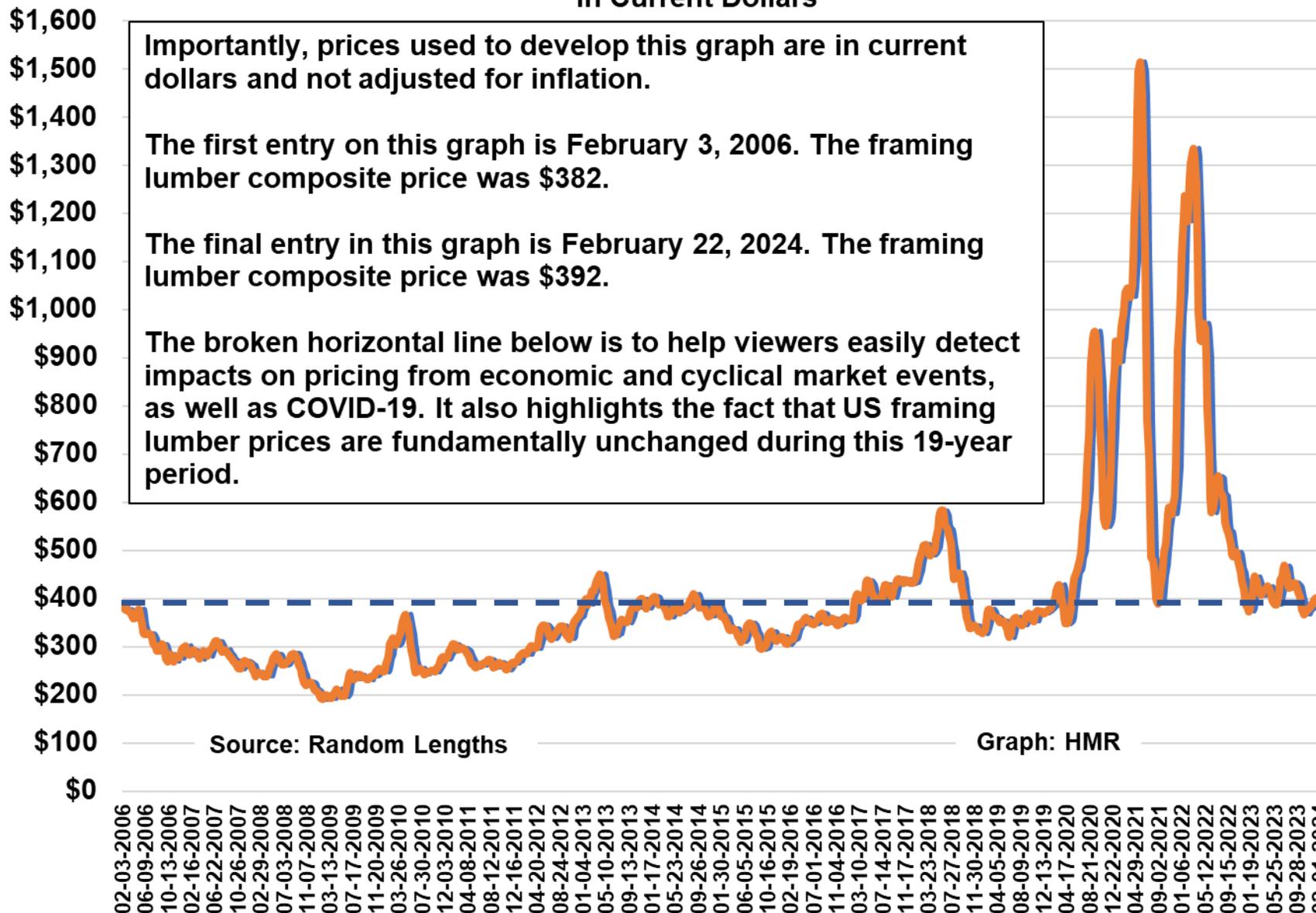


Sales Prices of New Single-Family Houses in the US

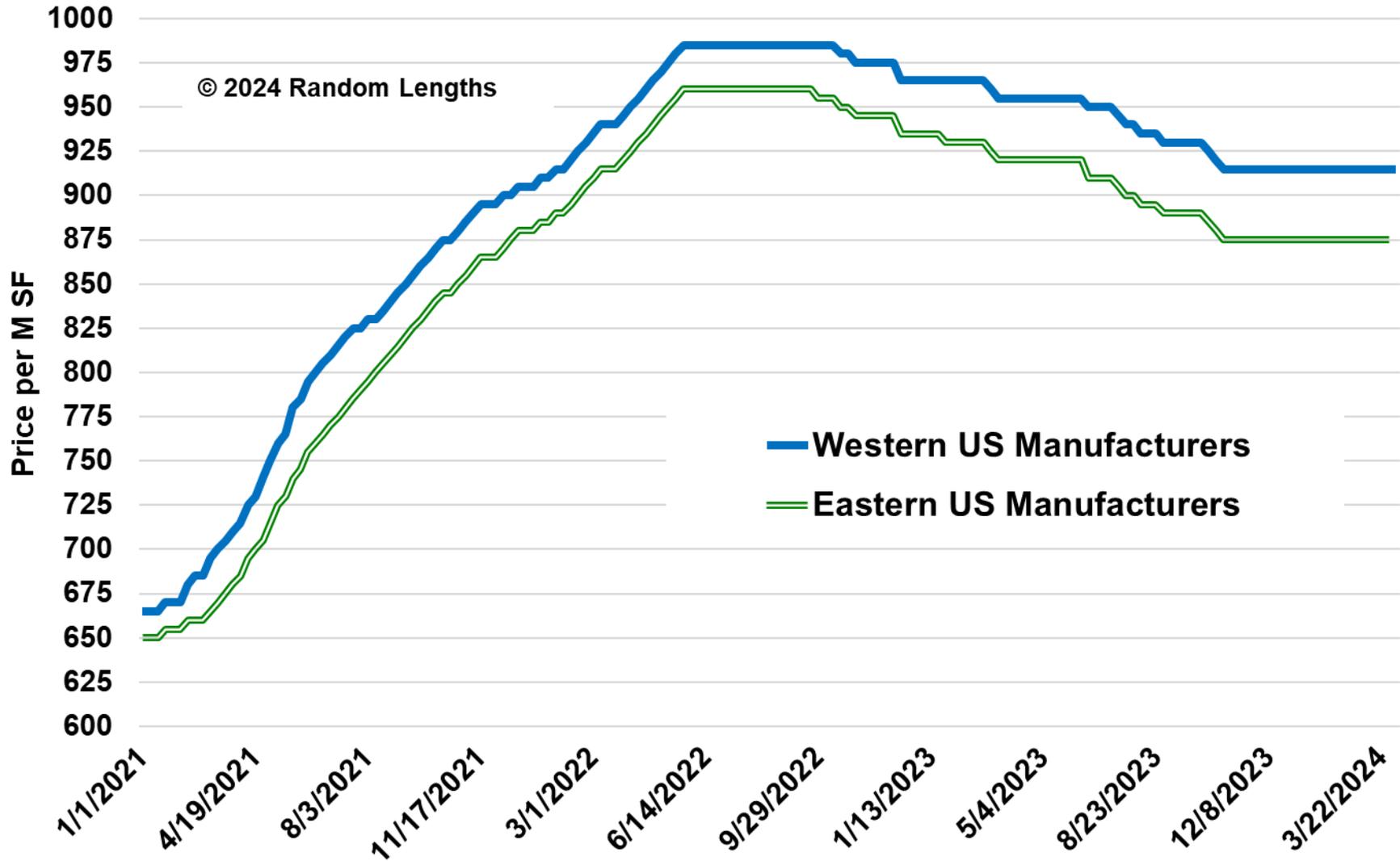


Framing Lumber Composite Prices

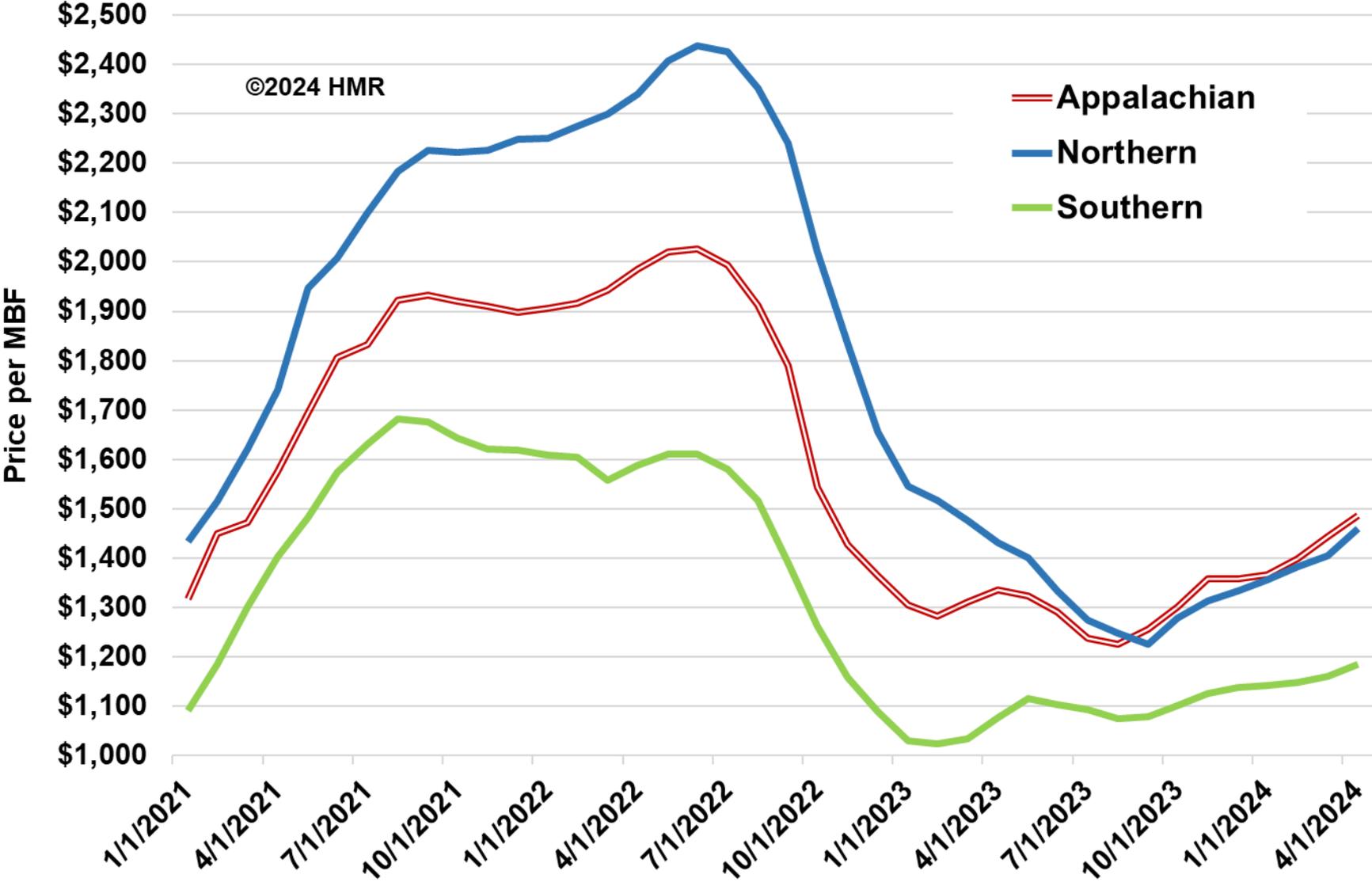
In Current Dollars



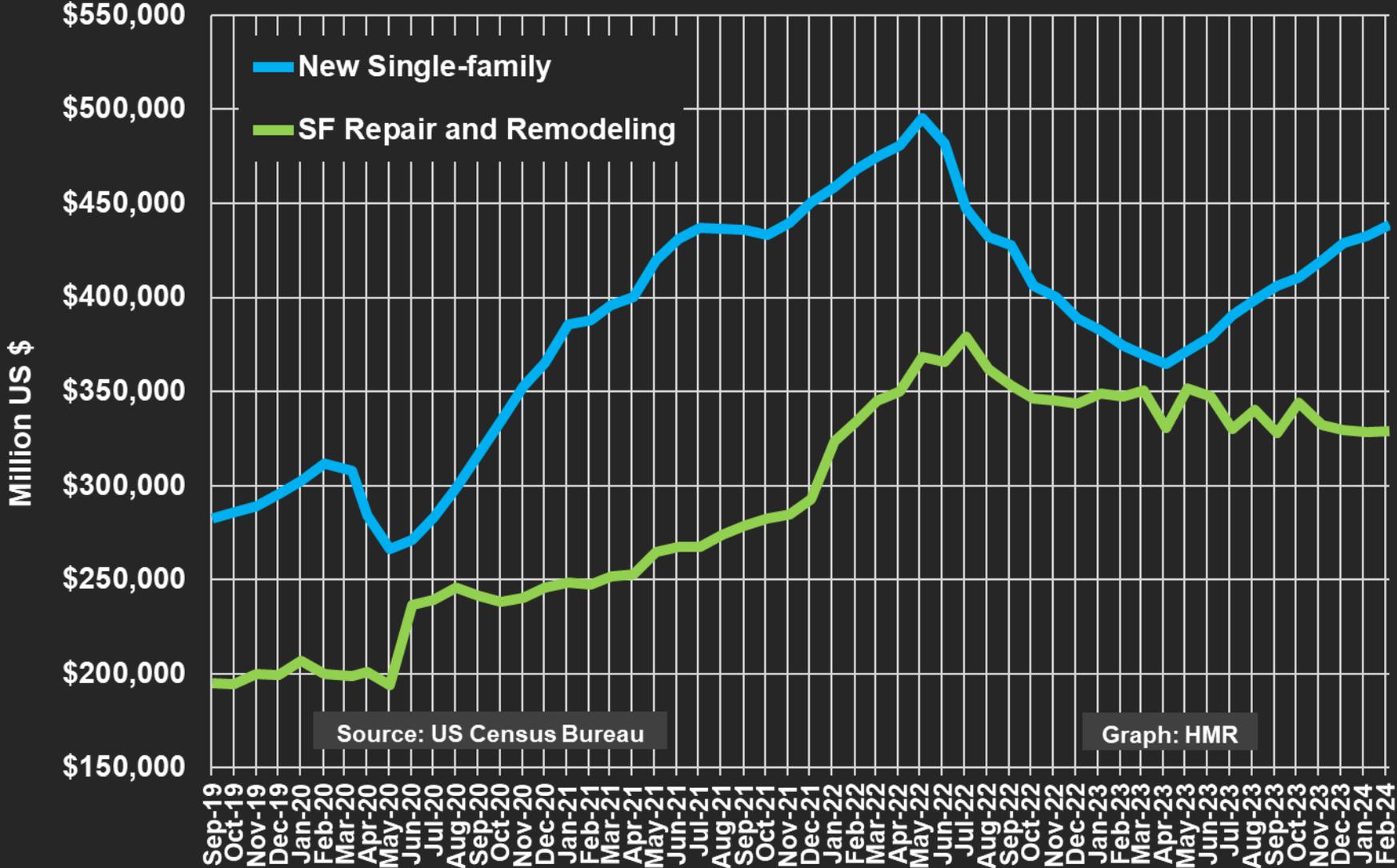
Non-Structural Panels, 3/4" Medium Density Fiberboard (MDF) Covid and Post-COVID Period



Composite Price Index for Southern, Appalachian, and Northern Kiln Dried Net 4/4 #2A&Btr Lumber



Private Investments in New and Remodeling Single Family Housing Construction

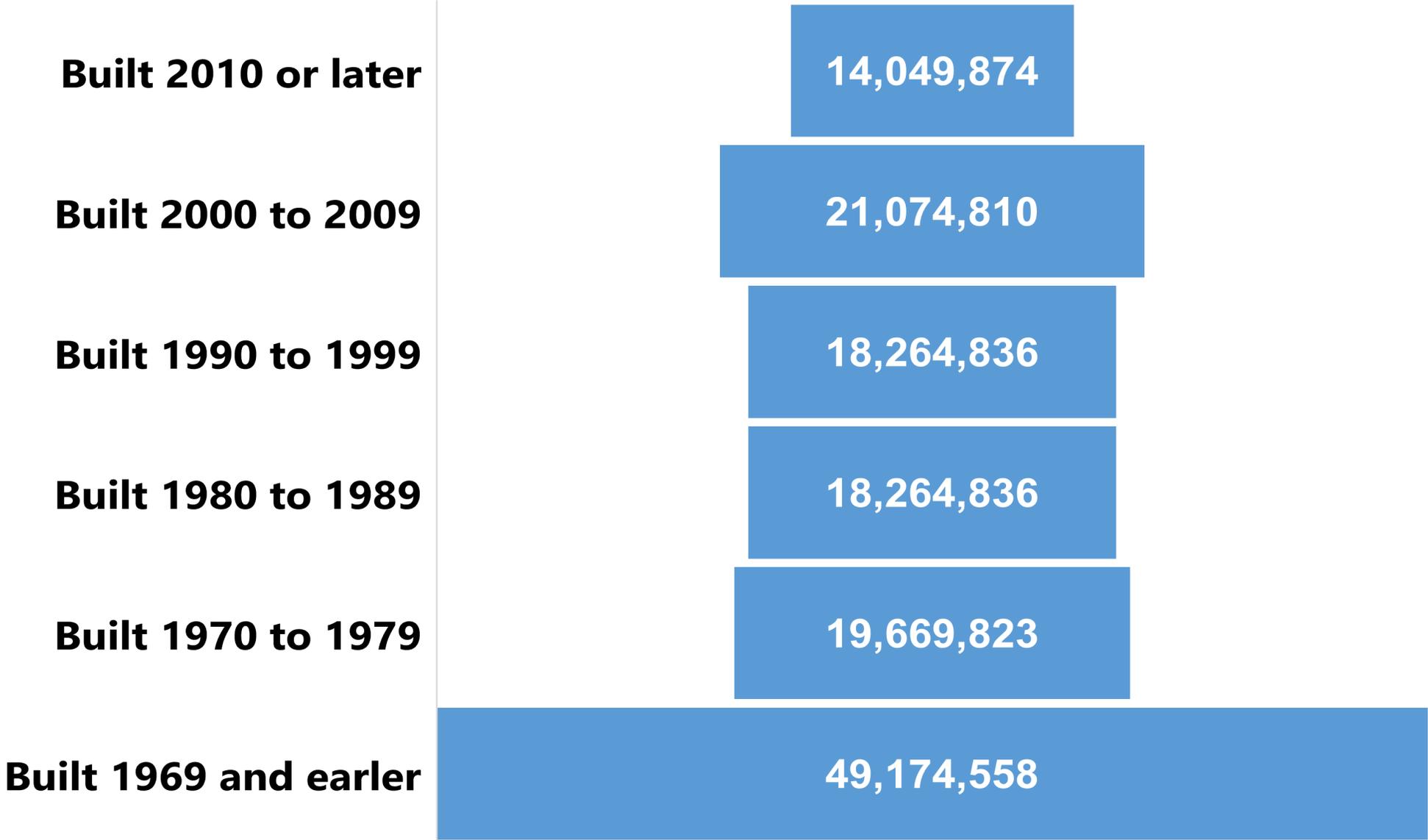


Source: US Census Bureau

Graph: HMR



Owner-Occupied Singler-Family Housing by Decade Structure was Built





Hardwood Market Report

Lumber News Since 1922

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A Hardwood Market Report Publication

Covering the Hardwood Industry from Woods to Finished Goods



Import Newsletter™

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Comprehensive coverage of the temperate and tropical hardwood market



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Home Sweet Home.
A Review of Homebuilding and Remodeling Markets

New home construction and remodeling activity are still primary drivers of domestic hardwood lumber demand. In addition, the industry needs robust activity in both these sectors to maintain its market share to composite wood and non-wood products manufacturing industries.

This month's issue will review trends in new home construction, remodeling activity along with forecasts for the housing market.

Housing by the Numbers

New Home Construction Starts jumped 13.8% in November. Single-family new home starts jumped 13.8% in November, the highest level in 15 years (Figure 1). It was the highest level in 15 years (Figure 1). It was the highest level in 15 years (Figure 1).

Import Newsletter
A part of Fastmarkets

CURRENT TRENDS

US imports of hardwood lumber from Peru are on pace to total just 541,556 BF this year. In comparison, shipments averaged 19.9 MMBF annually during the peak 1998-2007 period.

US imports of Meranti were down 49% on the year through October to an annualized pace of 2,063,382 BF. Receipts have not been this low since 2009.

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Volume 8 Issue 12 December 2023
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VOLUME C1
NUMBER 50

Estimated Annual Rates of Sawmill Production for Eastern US Hardwoods

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Million Bd. Ft.

Production (Bar Chart)
Working Days (Line Chart)

Annual Rates:
2021 = 6,749B Bd. Ft.
2022 = 7,147B Bd. Ft.
*2023 = 5,615B Bd. Ft.
*Annualized thru Nov.

Monthly US Import Values of Temperate Hardwood Lumber FROM NON-CANADIAN SOURCES | Million

Tropical (Blue Line)
Temperate (Red Line)

HMR DEMAND INDEX (HDI)

	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22
Cabinets	100	100	100	100	100
Residential Flg.	100	100	100	100	100
Truck Trailer Flg.	100	100	100	100	100
Wholst. Furniture	100	100	100	100	100
Furniture	100	100	100	100	100

Composite Indices of HMR Prices for Kiln Dried Net 4/4 #2A&Better Lumber Northern - Hard Maple, Soft Maple, Red Oak, and Basswood

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