

THE STAR MARKET REPORT

FEBRUARY 2021 BUILDING MATERIAL MARKET REFLECTION

Even mother nature couldn't slow down the market in February. Despite much of North America covered in a deep freeze, the market continued its upward momentum. Extreme demand combined with stable mill order files and rail car delays equaled an undersupplied market with upward pressure across all product lines. With spring just around the corner, how high can prices go?

FRAMING LUMBER

The strong momentum we saw in lumber to finish off January continued right through February. Supply is still tight on most items, and mills have established order files into the second or third week of March.

R/L	JAN 28, 2021	FEB 25, 2021	+/-
2X4	\$1,187	\$1,284	\$97
2X6	\$1,167	\$1,271	\$104
2X8	\$1,129	\$1,234	\$105
2X10	\$1,084	\$1,209	\$125
2X12	\$1,173	\$1,234	\$60

STUDS	JAN 28, 2021	FEB 25, 2021	+/-
2X4 - 92 5/8"	\$994	\$1,140	\$146
2X4 - 104 5/8"	\$1,334	\$1,478	\$144
2X6 - 92 5/8"	\$930	\$1,065	\$135
2X6 - 104 4/8"	\$1,334	\$1,478	\$144

PLYWOOD

In January, we referred to plywood as "undervalued" this is not the case anymore. With some unprecedented increases, plywood made a historic run upward to finish off February. With order files stretching into mid-June (no, that is not a typo), supply will be tight, and pricing will remain strong moving into the spring and summer months.

PLYWOOD (STD)	JAN 29, 2021	FEB 26, 2021	+/-
9.5 (3/8)	\$866	\$1,160	\$294
12.5 (1/2)	\$1,155	\$1,547	\$392
15.5 (5/8)	\$1,443	\$1,933	\$490
18.5 (3/4)	\$1,732	\$2,320	\$588
25.5 (1)	\$2,604	\$3,486	\$882

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OSB

Slow and steady, OSB continued its climb in pricing. With supply almost nonexistent, we see a considerable price difference between contract prices and open market prices, upwards of \$400/M. With production downtime on the horizon for March and April, availability is a significant concern in the future. In addition to the OSB shortage, the industry may see a possible resin shortage for OSB mills.

OSB	JAN 29, 2021	FEB 26, 2021	+/-
3/8"	\$1,035	\$1,115	\$80
7/16"	\$1,035	\$1,115	\$80
15/32"	\$1,055	\$1,135	\$80
19/32"	\$1,290	\$1,370	\$80
23/32"	\$1,435	\$1,515	\$80

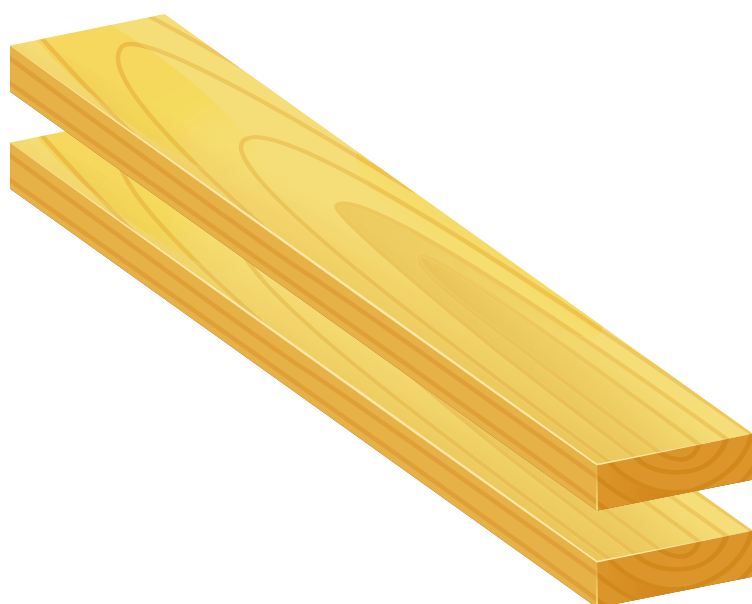
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ENGINEERED WOOD PRODUCTS

Surprisingly, EWP is the least talked about product line that could significantly impact business going forward. MSR spreads continue to increase as lumber prices move upward, and EWP is still under allocations that affect almost all building material companies. With extremely tight supply, many vendors are trying their best to supply customers with product as the supply pinch continues. Expect to see more price increases as we move into the spring and summer.

FINISHING PRODUCTS

Supply issues are popping up everywhere, and there are even whispers of allocations on some items. Delays in offshore shipments of raw material seem to be the major issue for most manufacturers. Price increases are being seen on almost all products.



March 1st, 2021

Written by: Jason Poloway, Purchasing Manager



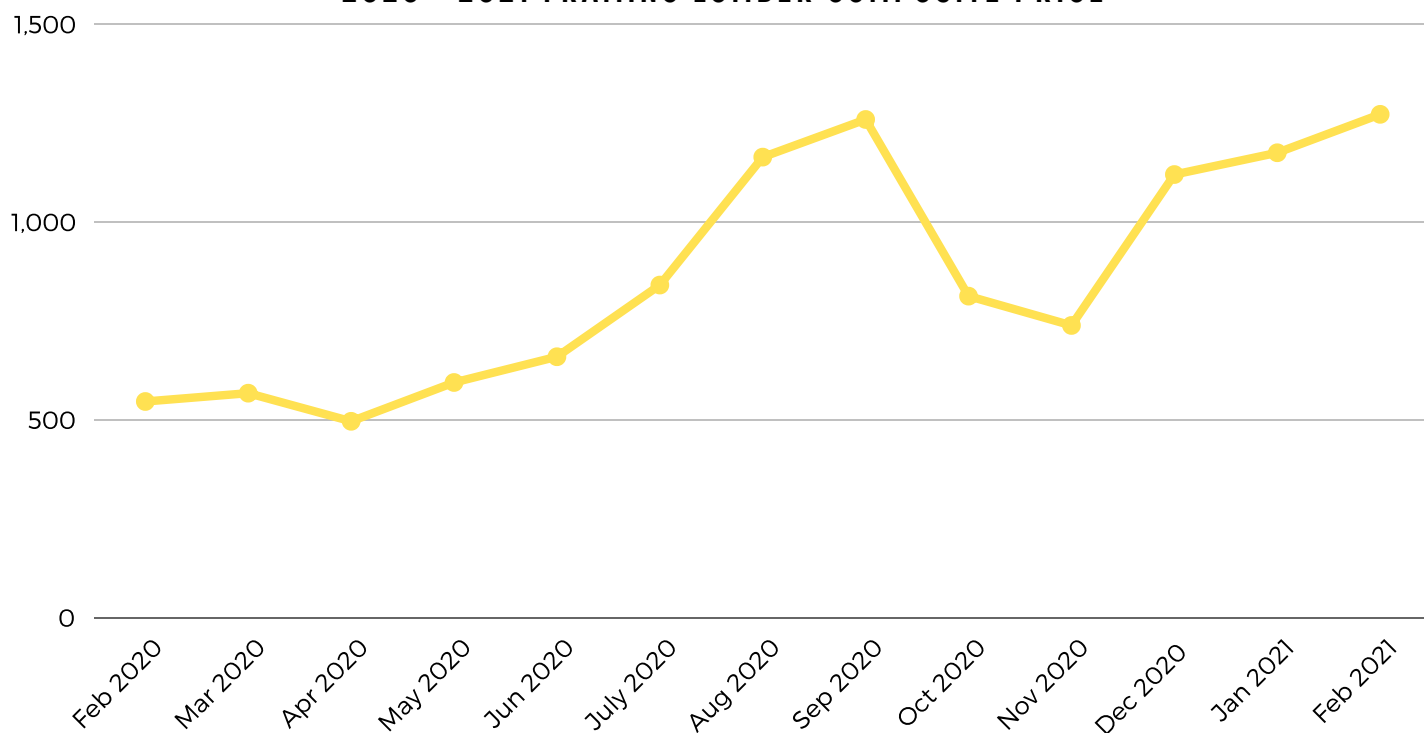
FRAMING LUMBER COMPOSITE PRICE

FEBRUARY 26, 2021 LUMBER MARKET REPORT HIGHLIGHTS:

- With shipping issues mildly improved in some regions, and more volume entering the distribution system, the urgency to buy framing lumber eased.
- The effect was largely more modest increases in prices than seen earlier in the run, but gains were solid nonetheless.
- The Random Lengths Framing Lumber Composite Price at midweek hit a new high.
- The majority of producers are booked into March.

	THIS WEEK	LAST WEEK	YEAR AGO
FRAMING LUMBER COMPOSITE PRICE	\$1,272	\$1,259	\$554
2X4 #2&BTR KD WESTERN S-P-F	\$1,284	\$1,276	\$583
2X6 #2&BTR KD WESTERN S-P-F	\$1,271	\$1,267	\$540
2X4X9' STUDS	\$1,547	\$1,517	\$625
2X6X9' STUDS	\$1,553	\$1,536	\$596
2X10 #2&BTR KD WESTERN S-P-F	\$1,330	\$1,329	\$709

2020 - 2021 FRAMING LUMBER COMPOSITE PRICE



Pricing: CAD/MBF

March 1st, 2021

Source: Random Lengths Market Report



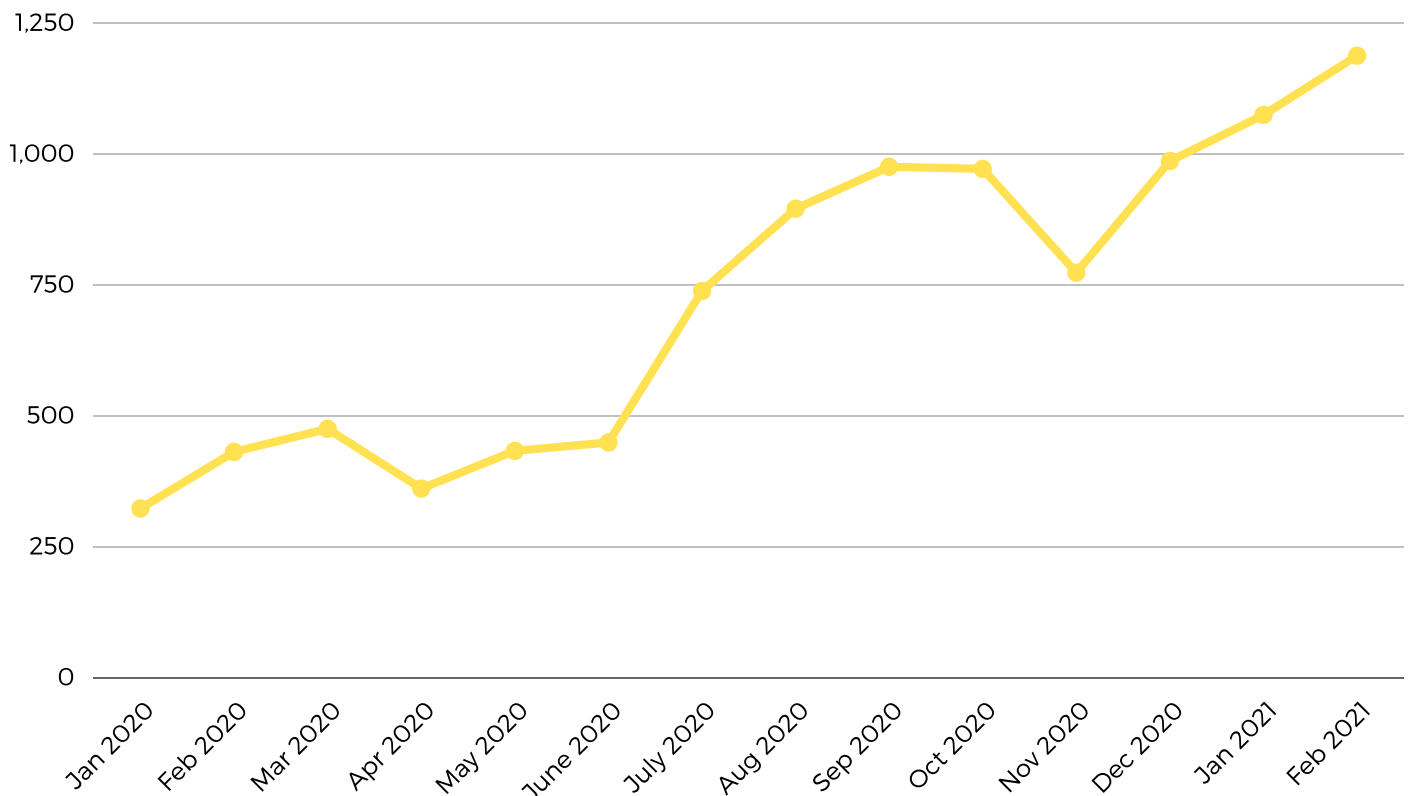
STRUCTURAL PANEL COMPOSITE PRICE

FEBRUARY 26, 2021 PANEL MARKET REPORT HIGHLIGHTS:

- The Random Lengths Structural Panel Composite Price soared further into record territory.
- The unprecedented drought in open-market offerings grew more severe in OSB markets, handcuffing distributors and dealers from providing coverage to supply-starved customers.
- In Southern Pine plywood markets, warmer temperatures thawed out job sites and reignited demand.
- Upward price momentum remained firmly in place in western Fir plywood.
- One week after the 3/8-inch price of Canadian plywood, delivered Toronto, surpassed the \$C1,000 mark, buyers either reluctantly or with little hesitancy purchased at prices approaching \$C1,200.

	THIS WEEK	LAST WEEK	YEAR AGO
ORIENTED STRAND BOARD COMPOSITE	\$1,187	\$1,159	\$450
3/8" 4X8 OSB	\$1,115	\$1,095	\$420
23/32" 4X8 OSB T&G	\$1,515	\$1,495	\$690
3/8" 4X8 SPRUCE PLYWOOD	\$1,160	\$1,015	\$440

2020-2021 ORIENTED STRAND BOARD COMPOSITE PRICE



Pricing: CAD/MSF

March 1st, 2021

Source: Random Lengths Market Report

