

# THE STAR MARKET REPORT

## BUILDING MATERIAL MARKET REVIEW - MAY 2020

With most bracing for the worst as we entered May, many were pleasantly surprised with how the month finished. Business was much brisker than expected and the tone went from bearish to bullish as the month went on.

### LUMBER/PLYWOOD/OSB

Rising prices and tight supply was the theme of the month for Lumber, Plywood and OSB. As restrictions were lifted, the U.S. has started to replenish inventories and cover jobs that were previously put on hold.

Framing Lumber saw gains across the board from 2x4- to 2x12, with 2x4-8' and 2x4- 92 5/8" leading the charge. Mills are quoting mid to late June delivery on most products. Plywood had a very strong month, and mills were able to stretch order files through the end of June. OSB found its bottom and has not looked back.

Order files are now approaching the end of June from the Western mills. Expect pricing to continue to appreciate over the next 4 weeks. With mill order files extending into the latter part of June, the market is looking very bullish for the next 4-6 weeks.

Buyers are proceeding with caution moving forward as the landscape throughout the summer is still unclear. Several mills that were shutdown have come back online over the past 2 weeks. It will take a few weeks to see what impact this will have on the supply / demand equation moving forward.

### ENGINEERED WOOD PRODUCTS

The unexpected volume push in May flipped the switch for EWP. New orders have been steady with a good mix of projects moving forward. Production is now chasing a solid order file into June.

Inventory levels on joists and beams continues to remain in good balance with the increased demand.

### FINISHING PRODUCTS

Many of the manufacturing facilities that were shut down are starting to come back online. It will take some time for the supply chain to get back to normal, but we are trending in the right direction.

Sales in some items have definitely felt the impact of the COVID shutdowns, while other items have seen surprisingly strong sales that manufacturers are saying is trending with 2019 levels.

Current inventory levels in finishing products remain balanced with demand. We are still seeing tight supply and longer than normal lead times on some items. We can expect to see some price increases throughout the summer due to a weaker Canadian dollar.

JUNE 1, 2020

Written by: Jason Poloway, Purchasing Manager



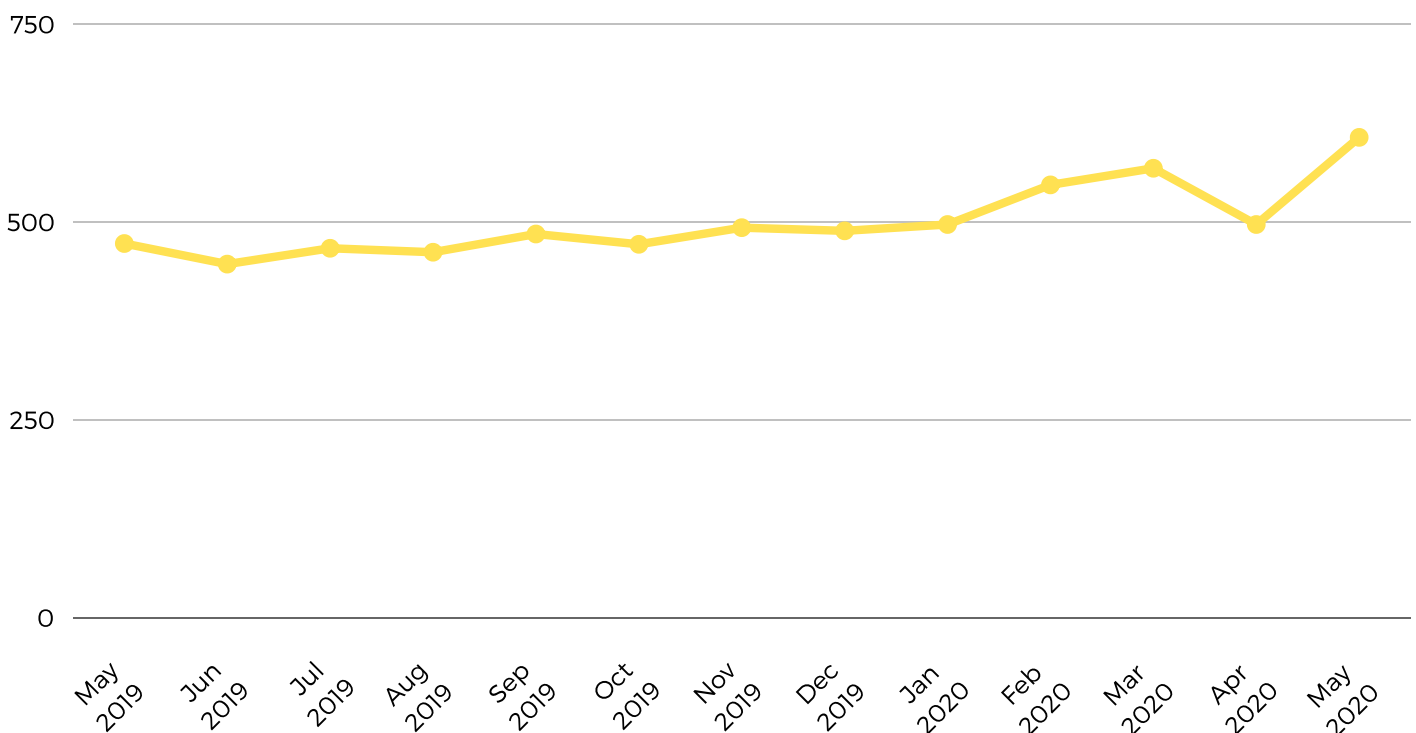
# FRAMING LUMBER COMPOSITE PRICE

## MAY 29, 2020 LUMBER MARKET REPORT HIGHLIGHTS:

- Trading in framing lumber eased off this week, but many prices continued to push higher amid steady demand and tight supplies.
- Memorial Day in the US contributed to slower trading, but did pick up near the end of the week.
- Producers stayed in control, as they boasted order files to mid June.
- Demand for short lengths in virtually any grade from #2 on up continued to increase.

	THIS WEEK	LAST WEEK	YEAR AGO
<b>FRAMING LUMBER COMPOSITE PRICE</b>	<b>\$607</b>	<b>\$598</b>	<b>\$451</b>
2X4 #2&BTR KD WESTERN S-P-F	\$513	\$514	\$406
2X6 #2&BTR KD WESTERN S-P-F	\$471	\$461	\$386
2X4X9' STUDS	\$578	\$588	\$425
2X6X9' STUDS	\$654	\$570	\$464
2X10 #2&BTR KD WESTERN S-P-F	\$637	\$635	\$553

## 2019- 2020 FRAMING LUMBER COMPOSITE PRICE



Pricing: CAD/mbf

JUNE 1, 2020

Source: Random Lengths Market Report



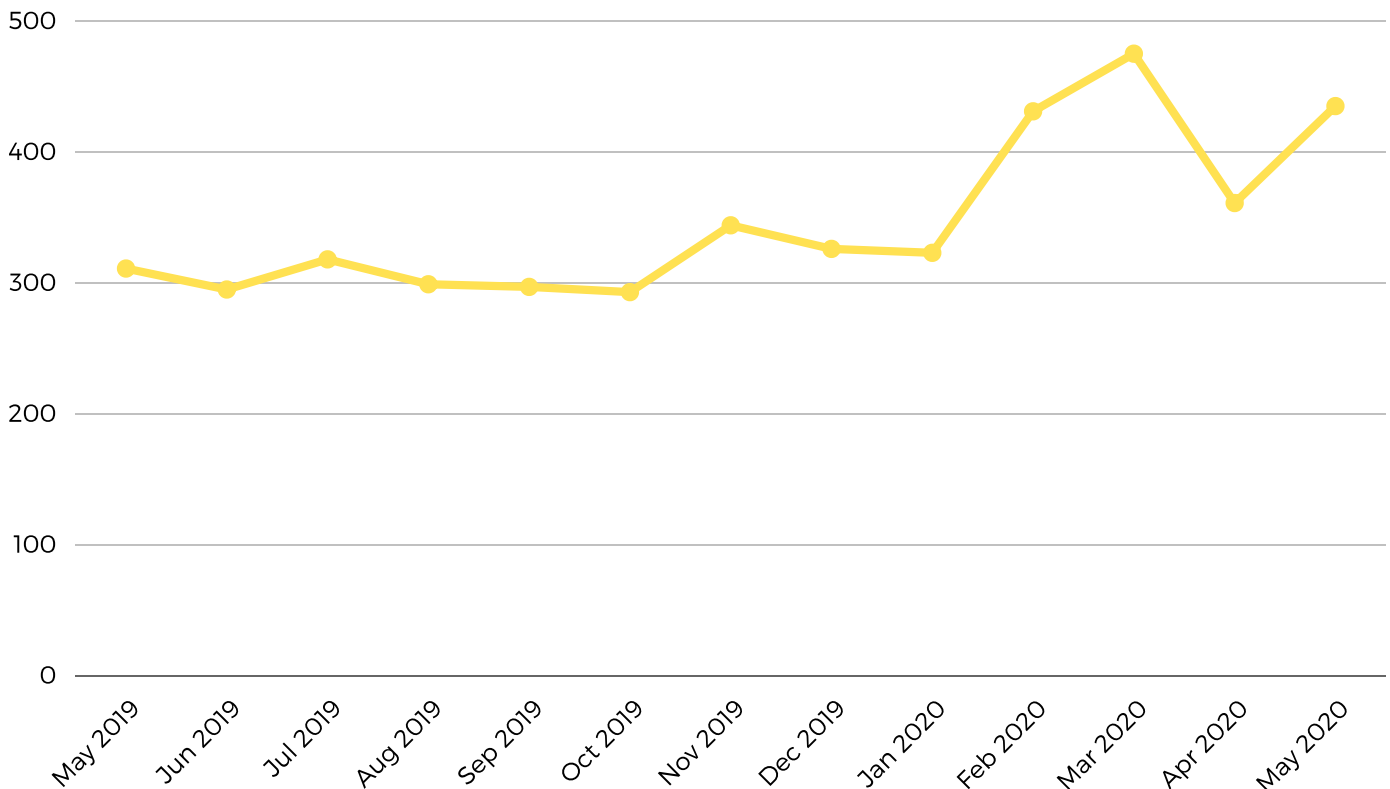
# STRUCTURAL PANEL COMPOSITE PRICE

## MAY 29, 2020 PANEL MARKET REPORT HIGHLIGHTS:

- Structural panel prices continue to rise amid a mixed trading market
- OSB buyers are replenishing when needed as urgency to cover near-term needs faded.
- Southern Pine plywood trading slowed, but steady demand persisted and supported modest price gains in rated sheathing.
- Western Fir plywood producers experienced a strong week of sheathing sales.
- Canadian plywood mill order files have extended into July, causing buyers to pause and wait for deliveries.

	THIS WEEK	LAST WEEK	YEAR AGO
<b>ORIENTED STRAND BOARD COMPOSITE</b>	<b>\$435</b>	<b>\$436</b>	<b>\$312</b>
3/8" 4X8 OSB	\$350	\$340	\$225
23/32" 4X8 OSB T&G	\$570	\$560	\$500
3/8" 4X8 SPRUCE PLYWOOD	\$463	\$454	\$404

## 2019-2020 ORIENTED STRAND BOARD COMPOSITE PRICE



Pricing: CAD/msf

JUNE 1, 2020

Source: Random Lengths Market Report

