

THE STAR MARKET REPORT

NOVEMBER 2020 BUILDING MATERIAL MARKET REFLECTION

Although lumber's correction was steep and fast, it didn't cut as deep as many had hoped it would. We finally saw significant price adjustments in OSB, with Plywood only showing a slight decrease. As lead times ease, volume allocation from most EWP mills is still causing supply issues for many. It looks like these allocations will continue into 2021.

Strong U.S. demand continues to dictate the direction of the market. The question is now, will our neighbours to the south come back after their biggest holiday and continue to buy into this market, or will they sit back on current purchases heading into the New Year. The Department of Commerce has lowered duty rates on Canadian lumber going into the U.S. to an average rate of 8.99%, down from the current rate of 20.23%. This change has virtually eliminated the Canadian discount, ranging from 6% - 8% that Canadian buyers had previously enjoyed. This new duty rate should take effect in the next week or so.

FRAMING LUMBER

By mid-November, lumbers downward correction was finished, and it picked up momentum finishing the month strong, gaining back some of its losses. Mills were able to push prices up once again and secure order files into mid-December. Factoring in the Christmas Holidays, it should ensure prices remain firm going into January 2021.

STUDS	OCT 29, 2020	NOV 24, 2020	+/-
2X4-92 5/8"	\$759	\$681	\$-78
2X4-104 5/8"	\$746	\$726	\$-20
2X6-92 5/8"	\$720	\$654	\$-66
2X6-104 5/8"	\$906	\$785	\$-121

R/L	OCT 29, 2020	NOV 24, 2020	+/-
2X4	\$706	\$803	\$97
2X6	\$666	\$711	\$45
2X8	\$726	\$769	\$43
2X10	\$560	\$619	\$59
2X12	813	\$851	\$38

Pricing: CAD

PLYWOOD

Plywood has finally shown some cracks in pricing as order files faded by mid-November. The price correction was short-lived as it adjusted down for one week before leveling off again as the month came to a close. Reports indicate mills have order files to carry them through to the New Year.

PLYWOOD	OCT 30, 2020	NOV 25, 2020	+/-
9.5 (3%)	\$746	\$723	\$-23
12.5 (1/2)	\$995	\$964	\$-31
15/5 (3%)	\$1,243	\$1,205	\$-38
18.5 (3/4)	\$1,492	\$1,446	\$-46
25.5 (1)	\$2,244	\$2,157	\$-87

Pricing: CAD



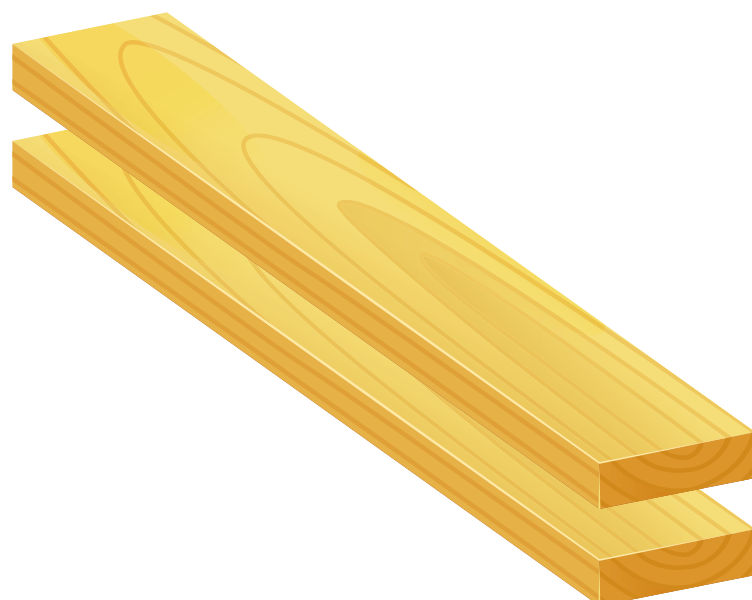
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OSB

OSB showed the most significant correction during the month, but the prices did level off by the end of November. Mills were able to sell large volumes at massive discounts into the U.S. establishing modest order files to close out the year.

OSB	OCT 30, 2020	NOV 25, 2020	+/-
3/8"	\$925	\$680	\$-245
7/16"	\$925	\$680	\$-245
15/32"	\$945	\$700	\$-245
19/32"	\$1,120	\$870	\$-250
23/32"	\$1,265	\$1,015	\$-250

Pricing: CAD



ENGINEERED WOOD PRODUCTS

Production continues to chase healthy order files as we head into December. Volume allocations at the mill levels are creating supply issues across the board. Expect that trend to continue as we finish off 2020 and head into 2021.

FINISHING PRODUCTS

The momentum continued to build on finishing products as we head into December. Production and supply chain issues are prevalent on almost all product lines.

Late shipments, deliveries and extended lead times are now the norms rather than the exception. We continue to see price increases on most items heading into 2021.

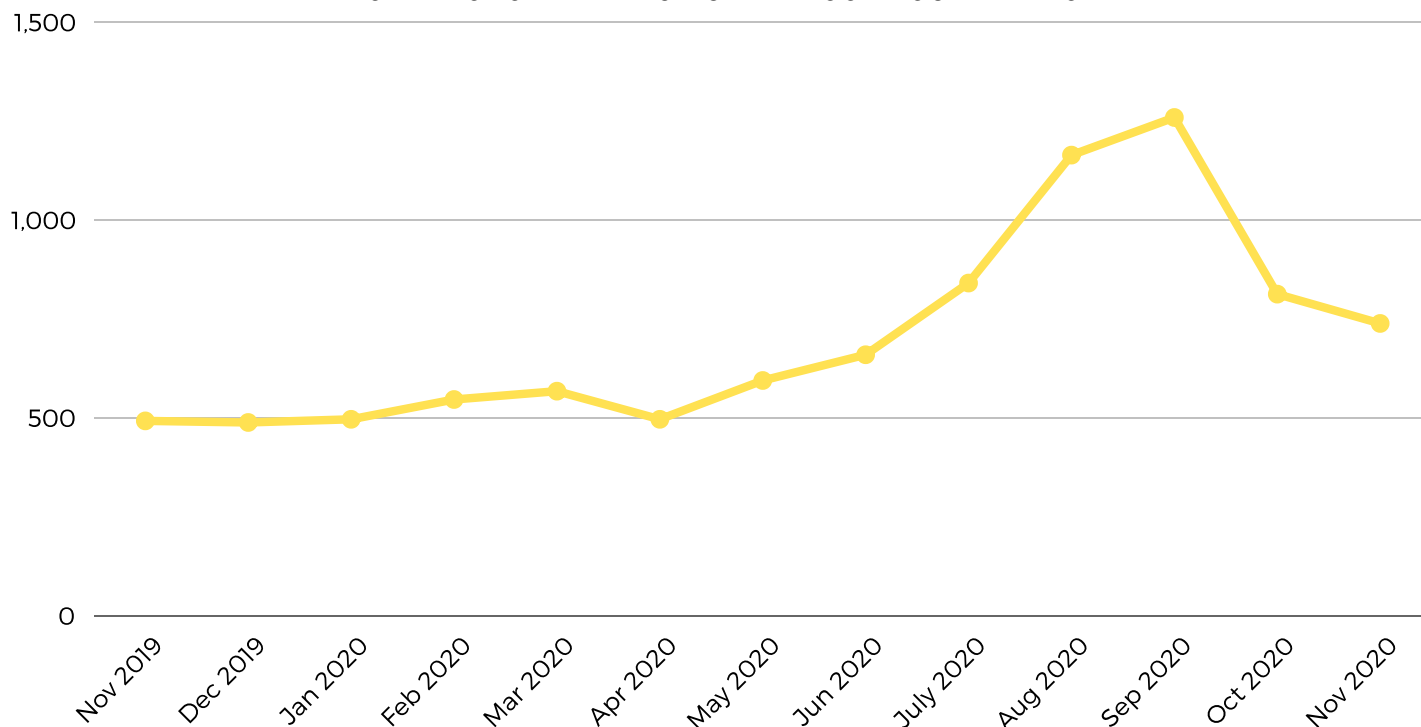
FRAMING LUMBER COMPOSITE PRICE

NOVEMBER 24, 2020 LUMBER MARKET REPORT HIGHLIGHTS:

- Framing lumber gained upward momentum near the end of the week.
- Producers moved order files into December, with some quoting shipments into the second half of the month amid year-end shutdowns.
- The Random Lengths Framing Lumber Composite Price rose a second consecutive weekly gain.

	THIS WEEK	LAST WEEK	YEAR AGO
FRAMING LUMBER COMPOSITE	\$739	\$730	\$496
2X4 #2&BTR KD WESTERN S-P-F	\$803	\$783	\$505
2X6 #2&BTR KD WESTERN S-P-F	\$711	\$698	\$492
2X4X9' STUDS	\$821	\$785	\$465
2X6X9' STUDS	\$874	\$844	\$474
2X10 #2&BTR KD WESTERN S-P-F	\$746	\$726	\$599

2019- 2020 FRAMING LUMBER COMPOSITE PRICE



Pricing: CAD/MBF

November 30, 2020

Source: Random Lengths Market Report



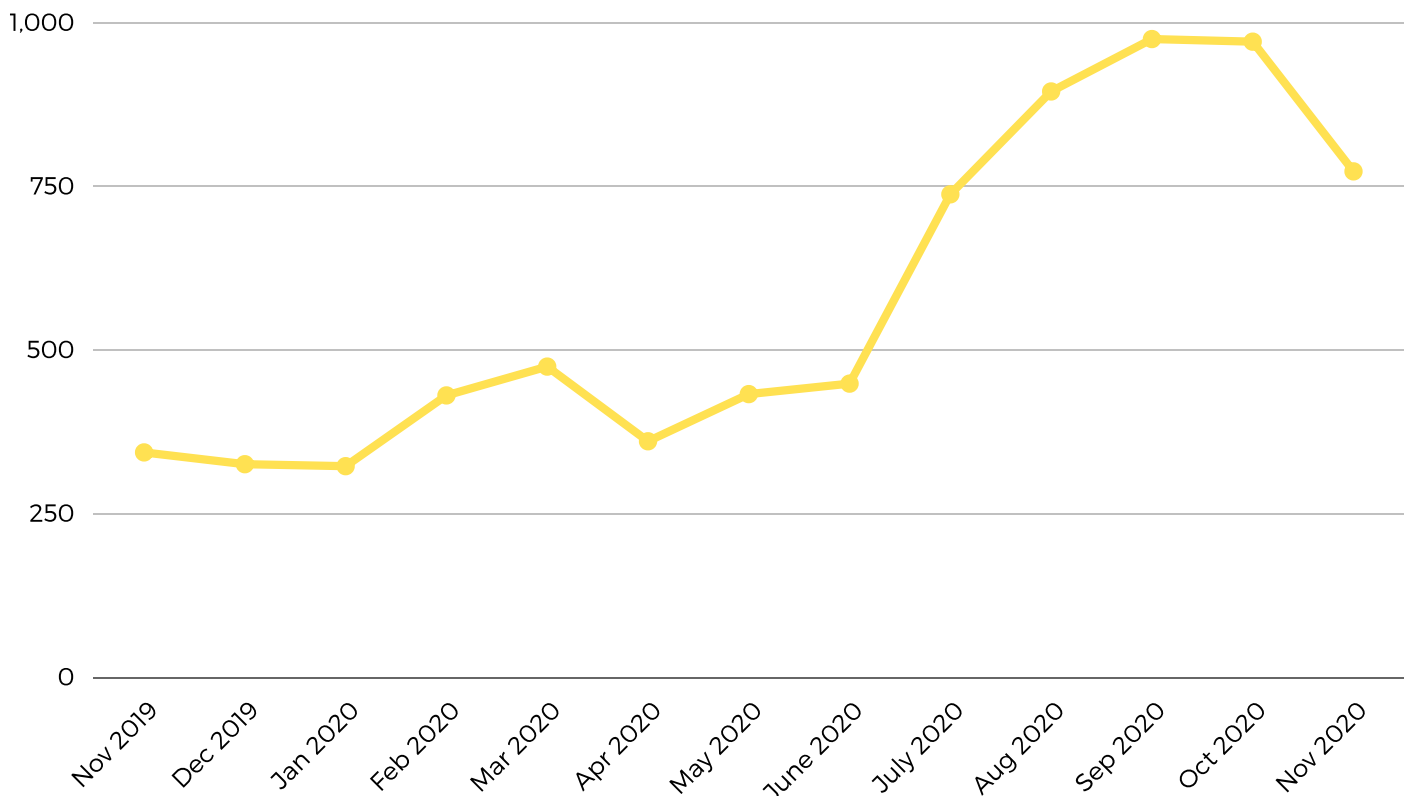
STRUCTURAL PANEL COMPOSITE PRICE

NOVEMBER 24, 2020 PANEL MARKET REPORT HIGHLIGHTS:

- Structural panel markets were far more active than usual in the historically holiday-shortened week.
- Strong sales of OSB were reported during the U.S Holiday week.
- Steady demand for Southern Pine plywood led to early trading, but sales dissipated Wednesday as many traders were out of office for the holiday.
- Western Fir sheathing prices continued to firm, with several producers reporting spotty yet strong sales.
- The combination of improved mill sales and issues with intermodal service put Canadian plywood prices on firmer footing.

	THIS WEEK	LAST WEEK	YEAR AGO
ORIENTED STRAND BOARD COMPOSITE	\$773	\$799	\$349
3/8" 4X8 OSB	\$680	\$680	\$300
23/32" 4X8 OSB T&G	\$1,015	\$1,015	\$540
3/8" 4X8 SPRUCE PLYWOOD	\$723	\$723	\$406

2019-2020 ORIENTED STRAND BOARD COMPOSITE PRICE



Pricing: CAD/MSF

November 30, 2020

Source: Random Lengths Market Report

