

THE STAR MARKET REPORT

AUGUST 2020 BUILDING MATERIAL MARKET REFLECTION

Increased prices and longer lead times were the themes in the market place through August. Prices rose on all product lines, but the more challenging variable to manage was the increase in lead times. Some doubling almost overnight, sending purchasers scrambling to cover immediate needs. Price is becoming secondary in the market, with availability being the priority for most.

LUMBER/PLYWOOD/OSB

Lumber continued on its torrid pace, increasing at levels never seen before, averaging \$50/M- \$75/M USD per week over the month. In a market where supply was already very tight, it somehow got tighter as mills pushed order files into late September with early October shipments.

R/L	JULY 30, 2020	AUG 28, 2020	+/-
2X4	\$632	\$935	\$303
2X6	\$620	\$910	\$290
2X8	\$612	\$875	\$263
2X10	\$610	\$820	\$210
2X12	\$610	\$860	\$250

STUDS	JULY 30, 2020	AUG 28, 2020	+/-
2X4-92 5/8"	\$615	\$850	\$235
2X4-104 5/8"	\$595	\$865	\$270
2X6-92 5/8"	\$442	\$600	\$158
2X6-104 5/8"	\$564	\$760	\$196

Prices are in USD (\$)

Plywood prices leveled off the first half of August but gained momentum in the last half of the month, as the availability between it and OSB pushed some buyers back to plywood. Order files moved into mid to late October.

Much like lumber, OSB continued its blistering pace in August. Supply was extremely limited with mill order files stretching into October. Something to keep in mind is most OSB mills have maintenance shutdowns scheduled for October. What will the impact of those shutdowns mean to the marketplace? We will have to wait and see.

PLYWOOD	JULY 30, 2020	AUG 28, 2020	+/-
9.5 (5/8)	\$622	\$661	\$39
12.5 (1/2)	\$829	\$881	\$52
15/5 (5/8)	\$1,037	\$1,102	\$65
18.5 (3/4)	\$1,244	\$1,322	\$78
25.5 (1)	\$1,872	\$1,989	\$117

OSB	JULY 30, 2020	AUG 28, 2020	+/-
3/8"	\$655	\$865	\$210
7/16"	\$655	\$865	\$210
15/32"	\$675	\$885	\$210
1/2"	\$695	\$905	\$210
19/32"	\$815	\$1,060	\$245
23/32"	\$915	\$1,205	\$290

Prices are in CND (\$)

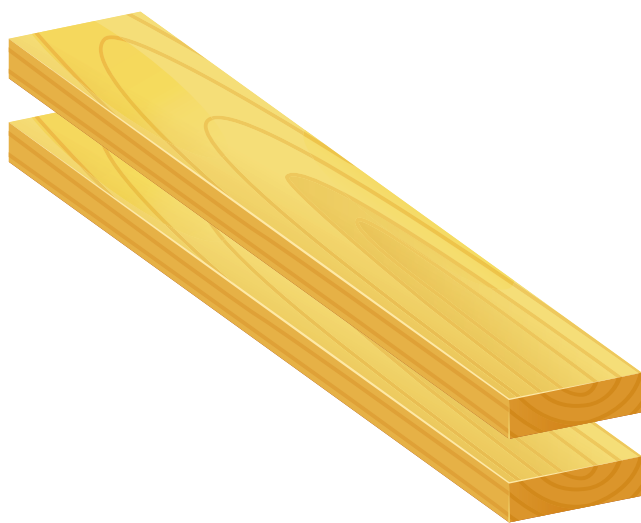
August has again taken us deep into uncharted waters. With the market continuing its upward momentum and order files stretching into October on most items, it's hard to believe anything will change in the short term. The question for all as we enter September is, how high will the prices go?

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ENGINEERED WOOD PRODUCTS

Pressure on EWP production schedules continues to grow heading into September, but we are seeing signs of a fall rush in the upcoming months.

As stable as pricing and supply has been the past few months on EWP, we are now seeing extended lead times and price increases coming on all products.



FINISHING PRODUCTS

The sales pace for finishing products was a bit slower for August, but we are seeing signs that it will start to pick up in September.

The supply pinch, which had been slowly working itself out, has again reared its head. Lead times have doubled on most items, with some reporting stock out as far as 10-12 weeks, causing some panic and scrambling. As predicted last month, we continue to see price increases coming on most SKU's.

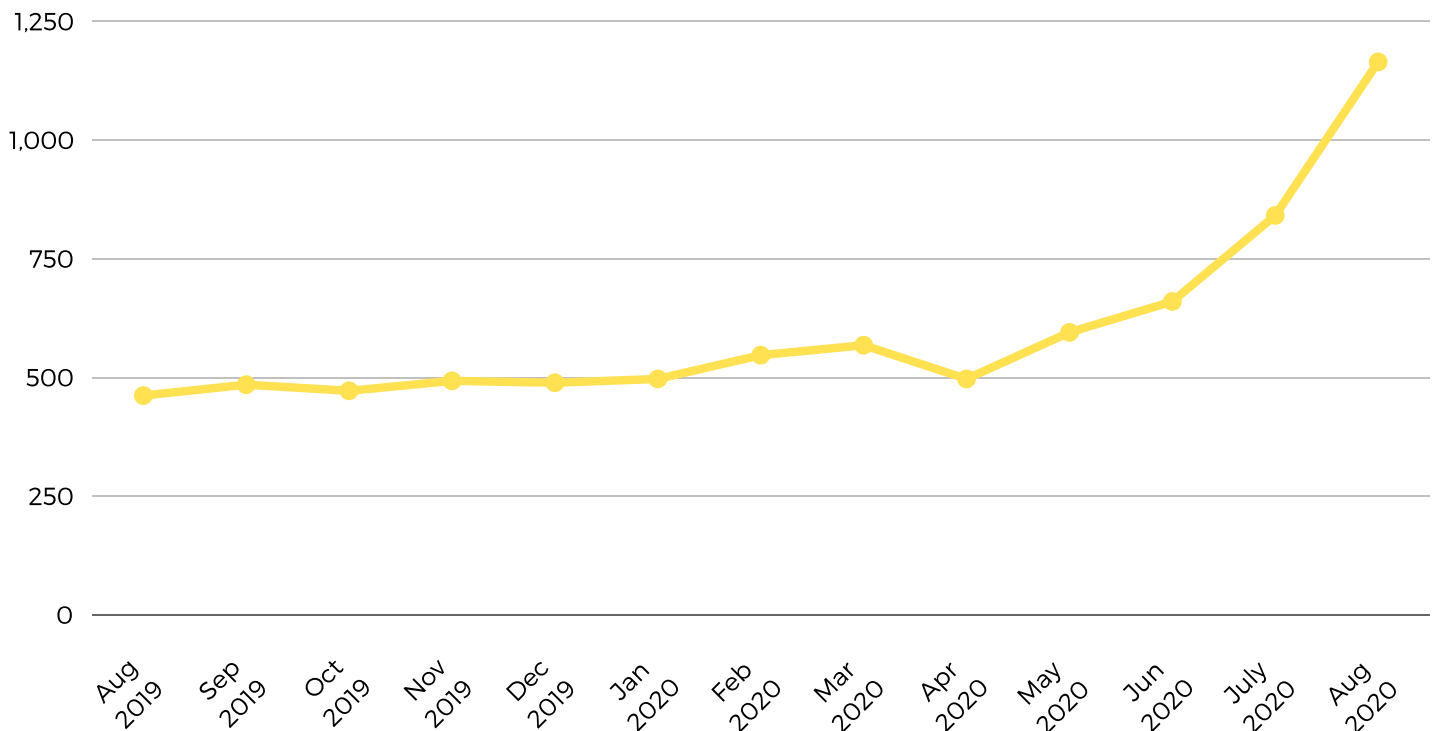
FRAMING LUMBER COMPOSITE PRICE

AUGUST 28, 2020 LUMBER MARKET REPORT HIGHLIGHTS:

- The historic price run in framing lumber markets finished another week of strong increases.
- Some traders recoiled early in the week as lumber futures turned downward. But the board turned around amid the continued surge in cash, and the September contract posted limit-up gains
- The Random Lengths Framing Lumber Composite Price jumped to a new all-time high.

	THIS WEEK	LAST WEEK	YEAR AGO
FRAMING LUMBER COMPOSITE PRICE	\$ 1,164	\$1,078	\$465
2X4 #2&BTR KD WESTERN S-P-F	\$1,225	\$1,134	\$455
2X6 #2&BTR KD WESTERN S-P-F	\$1,192	\$1,101	\$421
2X4X9' STUDS	\$1,179	\$1,108	\$439
2X6X9' STUDS	\$1,074	\$1,016	\$482
2X10 #2&BTR KD WESTERN S-P-F	\$1,201	\$1,144	\$544

2019- 2020 FRAMING LUMBER COMPOSITE PRICE



Pricing: CAD/mbf

AUGUST 31, 2020

Source: Random Lengths Market Report



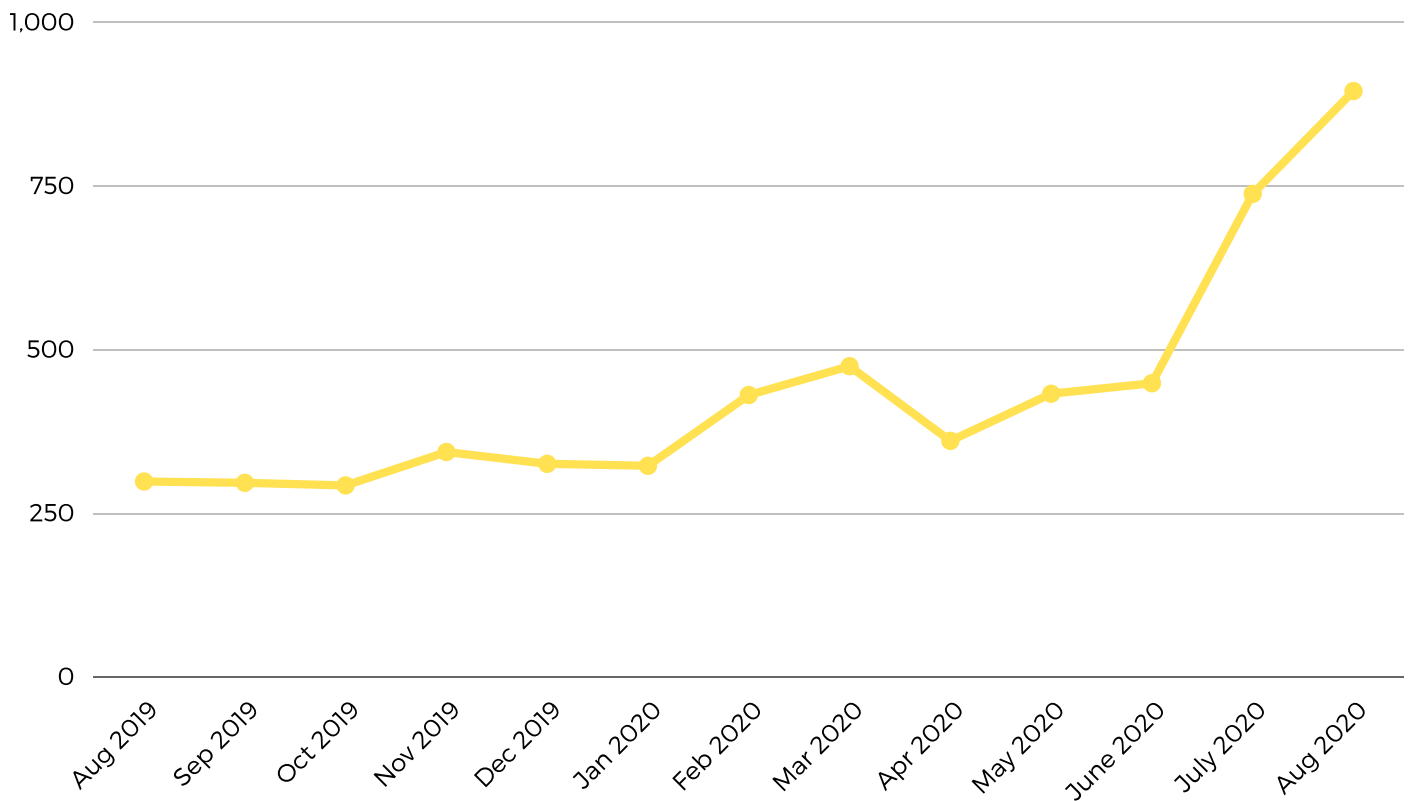
STRUCTURAL PANEL COMPOSITE PRICE

AUGUST 28, 2020 PANEL MARKET REPORT HIGHLIGHTS:

- Hurricane Laura exacerbated an already scarce supply situation in structural panel markets as the category 4 storm knocked out power to OSB mills in Texas and Louisiana.
- The Southern Pine plywood market was slow to react to further constraints in the storm's aftermath.
- Strong sales supported upward price momentum in western Fir plywood.
- Canadian plywood demand picked up, generating solid sales for producers.

	THIS WEEK	LAST WEEK	YEAR AGO
ORIENTED STRAND BOARD COMPOSITE	\$895	\$872	\$294
3/8" 4X8 OSB	\$865	\$845	\$225
23/32" 4X8 OSB T&G	\$1,205	\$1,175	\$460
3/8" 4X8 SPRUCE PLYWOOD	\$675	\$661	\$410

2019-2020 ORIENTED STRAND BOARD COMPOSITE PRICE



Pricing: CAD/msf

AUGUST 31, 2020

Source: Random Lengths Market Report

