

# THE STAR MARKET REPORT

## OCTOBER 2020 BUILDING MATERIAL MARKET REFLECTION

Lumber's fall from grace was harder and faster than many in the market place expected. While prices on plywood and OSB have held steady over the last four weeks. How much more of a drop can we expect moving forward, and when will the "shoe drop" on plywood and OSB?

Lead times have started to ease for EWP products, but there are still some supply pinches and volume allocations in place with suppliers heading into November. With field and distribution inventories still low buyers are trying their best to wait for this market to bottom out before restocking the shelves'. How long can they hold out before they have to buy in?

### FRAMING LUMBER

The price correction on lumber was fast and furious as mills chased the market downward, trying to find a trading level. Buyers remained on the sidelines, only picking off immediate needs and content, knowing prompt wood was readily available if needed.

R/L	SEP 25, 2020	OCT 29, 2020	+/-
2X4	\$1,247	\$706	\$-541
2X6	\$1,217	\$666	\$551
2X8	\$1,197	\$726	\$471
2X10	\$1,003	\$560	\$443
2X12	\$1,144	\$813	\$-331

STUDS	SEP 25, 2020	OCT 29, 2020	+/-
2X4-92 5/8"	\$1,204	\$759	\$-445
2X4-104 5/8"	\$1,211	\$746	\$-465
2X6-92 5/8"	\$903	\$720	\$-183
2X6-104 5/8"	\$1,104	\$906	\$-198

Pricing: CAD

### PLYWOOD

Plywood prices have not moved in four-plus weeks as mills continued to ride their order files into November. Distributors seemed nervous as their inventories grew heading into November as takeaway slowed down. Many were trying to unload contract loads for mid-November or sooner, which is something we haven't seen in months.

PLYWOOD	SEP 25, 2020	OCT 29, 2020	+/-
9.5 (3/8)	\$746	\$746	\$0
12.5 (1/2)	\$995	\$995	\$0
15/5 (5/8)	\$1,243	\$1,243	\$0
18.5 (3/4)	\$1,492	\$1,492	\$0
25.5 (1)	\$2,244	\$2,244	\$0

Pricing: CAD

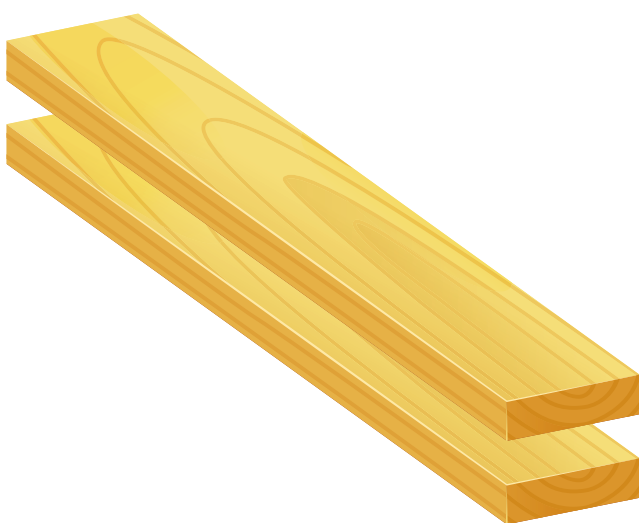
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## OSB

OSB has remained flat for a month, but with mill order files dwindling, many expect to see cracks as we move into November. Historically OSB can be the most volatile product in the commodity basket; this will be an interesting one to watch going forward. Especially with what we have seen happen to lumber.

OSB	SEP 25, 2020	OCT 29, 2020	+/-
3/8"	\$925	\$925	\$0
7/16"	\$925	\$925	\$0
15/32"	\$945	\$945	\$0
1/2"	\$965	\$965	\$0
19/32"	\$1,120	\$1,120	\$0
23/32"	\$1,265	\$1,265	\$0

Pricing: CAD



## ENGINEERED WOOD PRODUCTS

Order files continued to pressure production as we moved through October and into November, causing lead times to increase.

The supply chain pinch we saw in September has slowly started to ease through October, with hopes of things normalizing in the latter part of November.

## FINISHING PRODUCTS

Demand continues a slow build on the finishing side of things, but not as quickly as many expected.

As one product supply chain issues ease another product's issues grows, keeping purchasers on their toes as they try to stay ahead of potential shortfalls.

Price increases due to constraints on labor, supply, and product disruptions, paired with global supply chain uncertainty, are being felt by all suppliers and manufacturers.

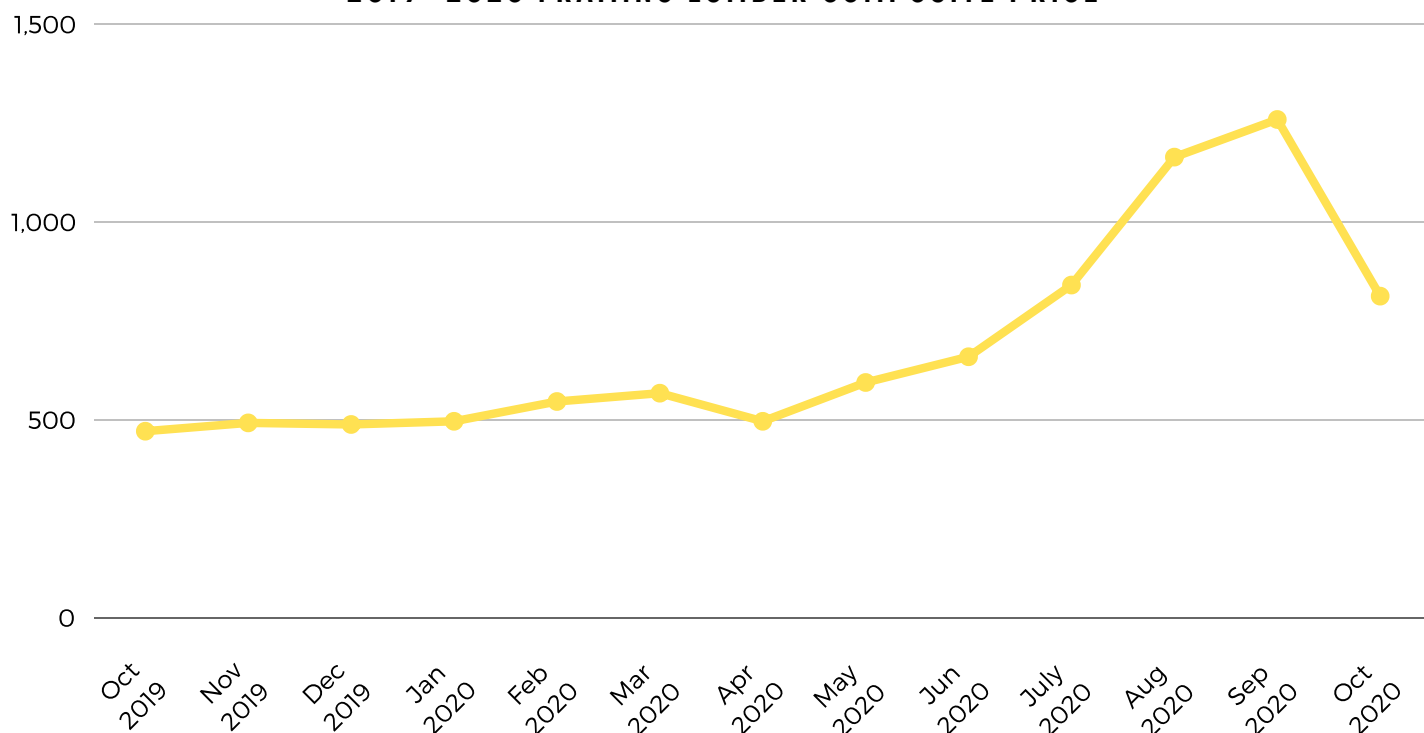
# FRAMING LUMBER COMPOSITE PRICE

## OCTOBER 30, 2020 LUMBER MARKET REPORT HIGHLIGHTS:

- Traders struggled to get a handle on prices, as framing lumber markets continued to unravel.
- Sales of Southern Pine and Canadian S-P-F, which have led the downward price correction to date, were more liquid as prices fell to levels more palatable to their customers.
- In Coast and Inland species, triple-digit discounts became more commonplace.
- Producers went to customers seeking levels it would take to book orders, and the results ranged.

	THIS WEEK	LAST WEEK	YEAR AGO
<b>FRAMING LUMBER COMPOSITE</b>	<b>\$813</b>	<b>\$901</b>	<b>\$473</b>
2X4 #2&BTR KD WESTERN S-P-F	\$706	\$789	\$497
2X6 #2&BTR KD WESTERN S-P-F	\$666	\$736	\$477
2X4X9' STUDS	\$799	\$868	\$447
2X6X9' STUDS	\$1,013	\$1,078	\$463
2X10 #2&BTR KD WESTERN S-P-F	\$689	\$732	\$557

## 2019- 2020 FRAMING LUMBER COMPOSITE PRICE



Pricing: CAD/MBF

November 4, 2020

Source: Random Lengths Market Report



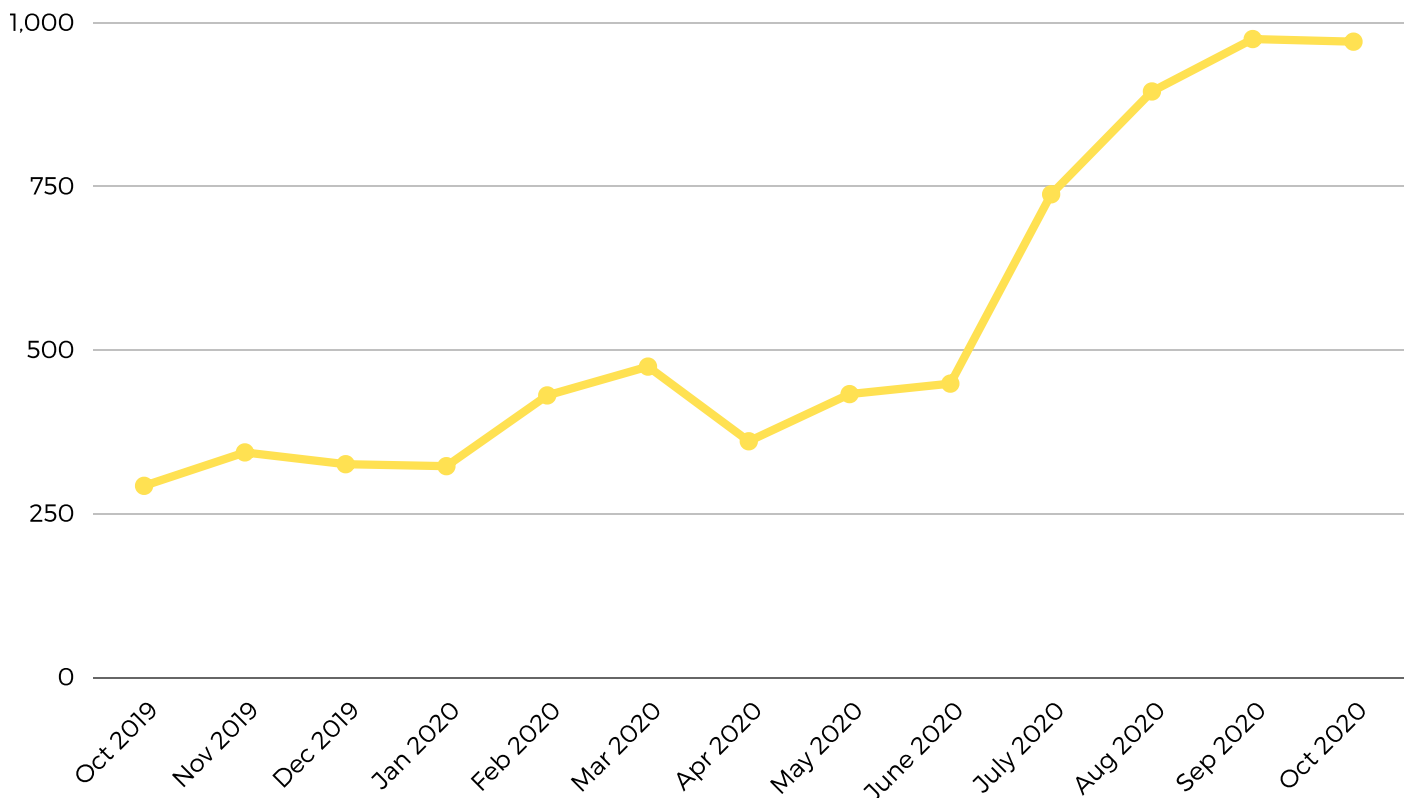
# STRUCTURAL PANEL COMPOSITE PRICE

## OCTOBER 30, 2020 PANEL MARKET REPORT HIGHLIGHTS:

- Structural panel trading shifted toward plywood this week.
- Mill sales of OSB slowed, but reported prices tenuously held to last week's levels.
- Buyers grew more cautious, and many anticipated that discounts would emerge as mill order files thinned.
- Hurricane Zeta, lean inventories, and substitution for OSB combined to revitalize Southern Pine plywood sales and form a bottom in prices of rated sheathing after weeks of double-digit declines.
- Inquiries picked up for western Fir plywood, and traders saw an uptick in purchases near the end of the week.
- Canadian plywood prices are at a standstill, as mills rode order files extending into December.

	THIS WEEK	LAST WEEK	YEAR AGO
<b>ORIENTED STRAND BOARD COMPOSITE</b>	\$971	\$958	\$310
3/8" 4X8 OSB	\$925	\$925	\$270
23/32" 4X8 OSB T&G	\$1,265	\$1,265	\$505
3/8" 4X8 SPRUCE PLYWOOD	\$746	\$746	\$402

## 2019-2020 ORIENTED STRAND BOARD COMPOSITE PRICE



Pricing: CAD/MSF

November 4, 2020

Source: Random Lengths Market Report

