

## Lumber Market Update

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Quality Building Materials Since 1884



### What are the Trends in Lumber Prices?

Since my last column in September (I am writing this in February.) the markets have been relatively stable. Douglas Fir dropped 3.7% before bottoming in early December and has then risen 5.6% leaving it only 1.7% above its September price. Douglas Fir has gone up for the last nine weeks.

SPF has risen in almost a straight line since September and is up 7.3% and has gone up for the last 8 weeks without interruption.

Plywood dropped 3.3% until late January and has since turned upward for three weeks, rising 1%. It is still down 2.3% since September.

OSB has dropped 3.4% since September, hit its bottom in late November and has been unchanged for the past eleven weeks. This probably won't last much longer as OSB is rising in regions other than the northeast.

### Canadian Lumber Duties

The current combined duty on Canadian lumber is 45.19%, this consists of an Anti-dumping duty of 20.56%, a countervailing duty of 14.63% and a Section 232 National Security duty of 10% which was imposed as the Fall issue of Connecticut Builder went to press. As required by law the Anti-dumping and countervailing duties will be reinvestigated this year and potentially revised. There is no news on this as yet. Last year these duties increased substantially due to lumber prices dropping between 2022 and 2023. My records show Douglas Fir dropping 33% and SPF dropping 40%. 2022 was the tail end of the pandemic induced price boom. From 2023 to 2024 my records show Douglas Fir dropping 3% and SPF rising 1%. Based on this, I would not expect significant changes in duties this year. The Supreme Court's decision on February 20th to overturn many of President Trump's tariffs does not affect lumber tariffs in anyway, they are all under different legal authority.

### Can the U.S. be Self-Sufficient in Lumber?

I have seen no significant expansion in the U.S. lumber industry in the past year, in fact, it has probably shrunk a bit. We will need a significant and long term increase in demand for significant capital to be invested in new production facilities as well as the timber supply for it to draw on.

### What to Expect in the remainder of 2026

It seems likely that price increases may continue into the spring as seasonal demand builds. If mortgage rates fall, that will add to demand and put more upward pressure on prices. Meanwhile production is falling in eastern Canada, especially Quebec, as mills struggle to pay tariffs or find other outlets for their lumber. ■