

Timber Talk

A monthly newsletter for our customers



Carver Lumber in Peoria

An Employee Owned Company

Tremont Lumber in Tremont

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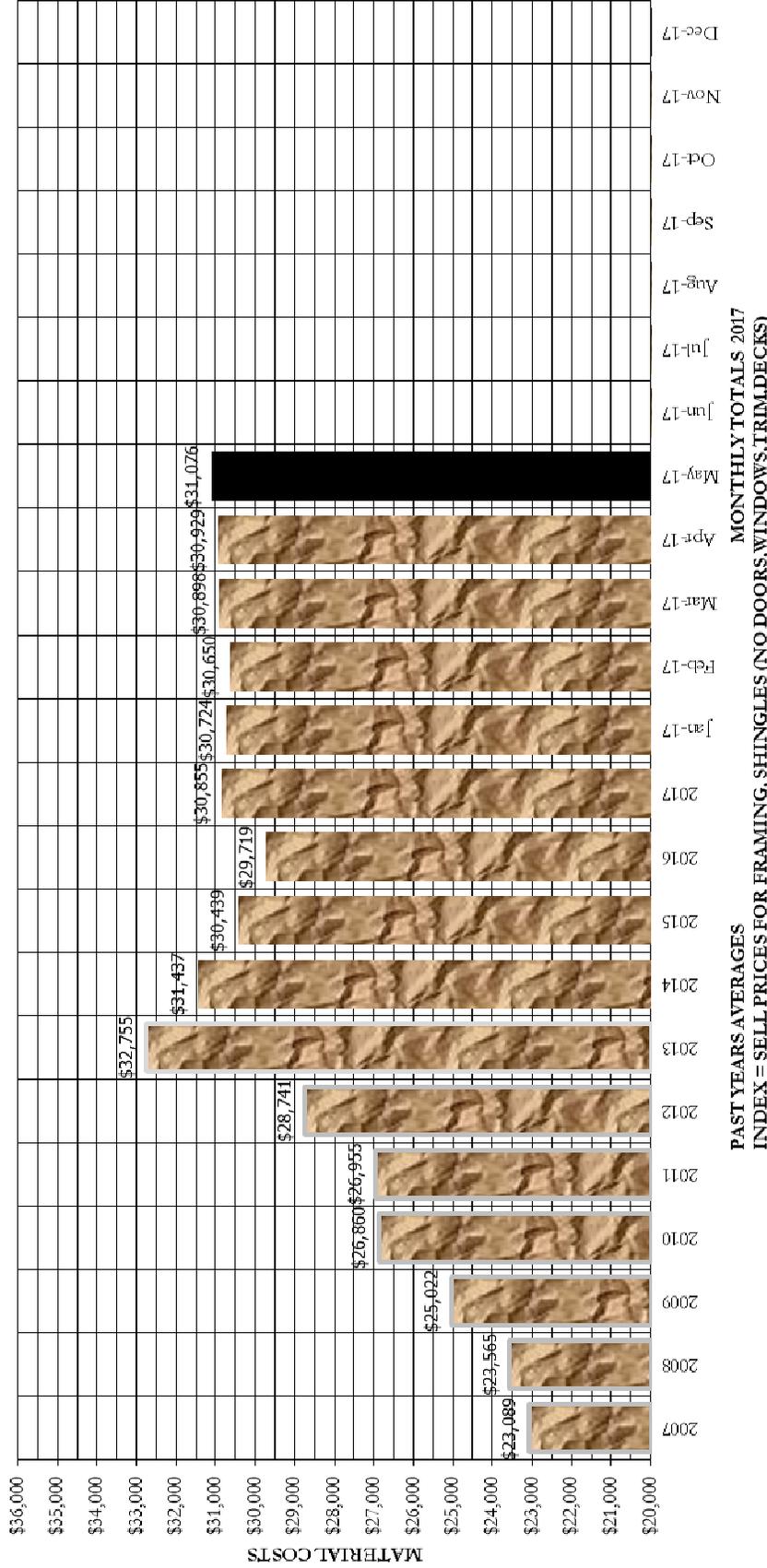
MAY 2017 NEWSLETTER

MATERIAL PRICING: The commodity lumber markets remain in an elevated holding pattern. The long awaited preliminary duty determination came and went, leaving both buyers and sellers confused about the market's current direction. With a 20 % duty and an unspecified retroactive anti-dumping ruling on all softwood lumber coming in from Canada, many questions remain as to where the market will find a trading level. Most buyers are only purchasing immediate needs, trying to keep their average costs as low as possible. Panel markets eased slightly after a multi-week run that has most panel products near a 4 year high. With extended mill order files and thin field inventories, look for this market to remain firm for the next couple weeks. Please take a moment to read our next article for a little history about the ongoing lumber tug of war between the U.S. and Canada. And as always, keep your bids current.

ANDERSEN TRADE LOYALTY PROGRAM: Contractor Rewards is a program that rewards builders, remodelers and professional trade contractors for buying quality products from leading building products manufacturers. It's a program that lets you earn valuable merchandise fast. It's free and easy to participate. Visit contractorrewards.com for qualifying products from Andersen. Enroll today using Enrollment Code: DEALER-071356

SOFTWOOD LUMBER PRICES-A HISTORY: What is driving the crazy pricing trends with softwood lumber that we have been warning about the past few months? The story starts some 30+ years ago with the U.S. and Canada, government agreements on imports/exports, breaches of those agreements, tariffs, negotiating the tariffs then new agreements; repeat of that cycle over and over. We are at the beginning of another cycle where sanctions have been imposed (but may get negotiated out) on Canadian producers, so speculative price increases to cover those costs are hitting the market. The irony is that it is the U.S. imposing the sanctions but it is also U.S. users of the product that will end up paying it in higher lumber prices passed on from the Canadian producers. It will still take the remainder of this year or longer to finalize this cycle, during which time the price will speculatively yo-yo until it settles on a mid-point. Good news for now is that Carver Lumber has inventory on the ground that was purchased before this spike to cover current needs and we will continue to shop wisely, but builders should heed this warning of market volatility and keep their estimates updated for current conditions.

CARVER LUMBER COMPANY/TREMONT LUMBER COMPANY
MATERIAL PRICE INDEX



NOTE: Material list used for index was one originally sold for 2820 sq.ft. 2-story home and consists of: CCA foundation wall plate, 2x10 D. Fir joists, 3/4" T&G OSB floor shtg., w/1/4" luan in kitchen/bath, tyar house wrap, 1/2" OSB side wall shtg., 2X12 D. Fir headers, L.V.L. wood beams where required, pre-engineered roof trusses, 1/2" OSB roof shtg., roof edge, starter, felt, weatherwatch ice dam, flashings, metal valley, 25 yr. laminated roofing, ridgevent, rough stair lumber, misc. backing, blocking and bracing, glue, nails, and hangers. Material list used for this index does not include: Windows, siding, soffit, exterior trim, interior doors, trim or other millwork, finished stairs, insulation, sheetrock, patio/deck