

Madison's Weekly Softwood Lumber Key Prices Table

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	This Week	Last Week	Change	Month Ago	Change	Year Ago	Change
Prices are in U.S. dollars per 1,000 fbm (net FOB mill)							
WSPF KD R/L 2x4	322	322	0	306	+16	270	+52
WSPF KD R/L 2x6	292	292	0	275	+17	266	+26
SYP KD R/L East Side 2x4	460	460	0	430	+30	415	+45
SYP KD R/L East Side 2x6	355	355	0	345	+10	315	+40
ESPF KD R/L 2x4	410	410	0	395	+15	365	+45
WSPF KD PET 2x4 Stud	295	295	0	265	+30	205	+90
WSPF KD PET 2x6 Stud	255	255	0	220	+35	220	+35
Douglas Fir Green R/L 2x4	342	340	+2	315	+27	300	+42
Douglas Fir Green R/L 2x10	360	345	+15	315	+45	350	+10
ESPF KD 2x4 8ft Stud	370	365	+5	355	+15	290	+80
OSB Ontario 7/16" (CDN\$/msf)	375	365	+10	365	+10	318	+57
CSplywood Toronto 3/8" (CDN\$/msf)	429	417	+12	417	+12	412	+17

Madison's Weekly Softwood Lumber News

Madison's Seasons Greetings

Seasons Greetings and Happy Holidays to all our valued subscribers and sources!

Best Wishes for the New Year.

In keeping with tradition, *Madison's* is going on a two week break from publishing your *Madison's Lumber Reporter*. Our next issue will be January 6, 2017

This week's issue is truncated to the price lists and market comment.

See you all next year!

US Housing Starts: November 2016

Single-family housing starts in the US dipped to a seasonally adjusted annual rate of 828,000 in November, according to new residential construction data released by the **Commerce Department** Friday. This month's result marks a -4.1% per cent decrease from October's downwardly revised rate of 869,000 and represents a 5.3 per cent gain compared to November 2015, when the estimate was 786,000.

The Midwest was the only region to experience a month-over-month increase in 1-unit housing starts, rising 19.8 per cent from October levels to a rate of 145,000. All other regions decreased from October levels, most significantly the West, where single-family starts dropped -15.3 per cent to a still-healthy rate of 183,000. On a year-over-year basis, the Midwest and South reported gains in the single-family category. Gains were most significant in the Midwest, where this

month's levels surpassed October 2015 levels by 33 per cent

Total housing permits, the leading indicator for future starts, fell -4.7 per cent in November, primarily due to a big dip in the multifamily sector, especially permits for 5-unit or more structures, which fell -15.8 per cent month-over-month.

Building permits fell 4.7 per cent last month to an annual rate of 1.20 million. During the past 11 months, permits have edged up just 1.1 per cent as construction firms appear to be moving away from apartment complexes.

Single-family permits rose 0.5 per cent, indicating that next month's report could be mediocre. Permits issued for 1-unit structures increased 7 per cent in the Midwest, and 2.7 per cent in the West, while the Northeast and South experienced single-digit losses month-over-month.

A healthy bout of hiring has increased demand for homes. Through the first 10 months of this year, sales of new homes are 12.7 per cent higher than in the same stretch last year. The strong demand has helped lift prices, pushing the median sales price of new US homes to US\$304,500 as of October.

Total privately-owned housing completions increased 15.4 per cent in November to a seasonally adjusted annual rate of 1,216,000. Completions of both single-family and multi-family housing increased in November following October's strong report, by 3.3 per cent and 44.5 per cent, respectively.

"There's little to cheer about regard-

ing residential construction in November," said Lawrence Yun, chief economist for the **National Association of Realtors**. "The fall in single-family housing starts offers zero relief to the housing inventory shortage throughout the country. Moreover, the collapse in multifamily starts assures continued robust growth in rents next year. Housing costs are rising and this trend will nudge up the broad consumer price inflation enough to surpass 3 per cent next year, which is easily above the Federal Reserve's desired inflation target. The soft housing starts also assures continued sluggish expansion in the overall economy."

Calendar

January 2017

3rd Annual Western Forest Industry Conference

January 17, 2017 – Vancouver, WA
<http://westernforestry.org/-2017>

Truck Loggers Association Convention & Trade Show

January 18-20, 2017 – Vancouver, BC
www.tla.ca/convention

February 2017

Western Silvicultural Contractors' Association Annual Conference

February 1-3, 2017 – Victoria, BC
<http://wsca.ca/wsca-agm/>

Association of BC Forest Professionals AGM

February 22-24, 2017 – Prince George, BC
<https://abcfp.ca/ABCFCConference/>