

MADISON'S LUMBER REPORTER



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News & Updates

Madison's Canadian Sawmill Directory!

Madison's is delighted to announce we are beta-testing our *new* online searchable sawmill directory tool.

We are providing select contacts a **temporary free trial**...don't miss out on the latest data for all Canadian solid wood manufacturing facilities and wholesalers.

Stringently researched in 3Q 2016 and released at the end of last year, *Madison's* data for Canadian sawmill operations is the latest you'll find anywhere.

Go to Page 6 to get **YOUR free trial login** to our brand new searchable *Madison's Canadian Sawmill Directory*. [CONT'D PAGE 6](#)

Softwood Lumber CVD: No Remittance

Canadian softwood lumber producers are getting a temporary reprieve with the ending of preliminary countervailing duties.

US Secretary of Commerce Wilbur Ross announced late Monday that the Department of Commerce postponed the final determinations in the anti-dumping duty and countervailing duty investigations of imports of softwood lumber from Canada until no later than November 14.

Most lumber companies will pay 6.87 per cent in anti-dumping tariffs after a 19.88 rate for countervailing duties formally ended as of Saturday.

Five producers singled out have paid combined duties between 9.89 and 30.88 per cent. All others paid 26.75 per cent.

Japan Housing Starts: June 2017

According to a report released by Japan's **Ministry of Land, Infrastructure, Transport and Tourism**, Japan's housing starts in June were 87,456 units (up 1.7 per cent from the same month in the previous year), surpassing the previous year's results for the first time in two months, said *Japan Lumber Journal* this week.

The seasonally-adjusted annual rate was 1,003,000 units (up 0.6 per cent from the previous month), exceeding the 1,000,000 units for the first time in two months. [CONT'D PAGE 7](#)

US GDP: 2Q 2017

Real gross domestic product (GDP) in the US increased at an annual rate of 3 per cent in 2Q 2017, according to the "second" estimate released by the **US Commerce Department's Bureau of Economic Analysis** Wednesday. In 1Q, real GDP increased 1.2 per cent. [CONT'D PAGE 7](#)

North America Wildfire Season: 2017

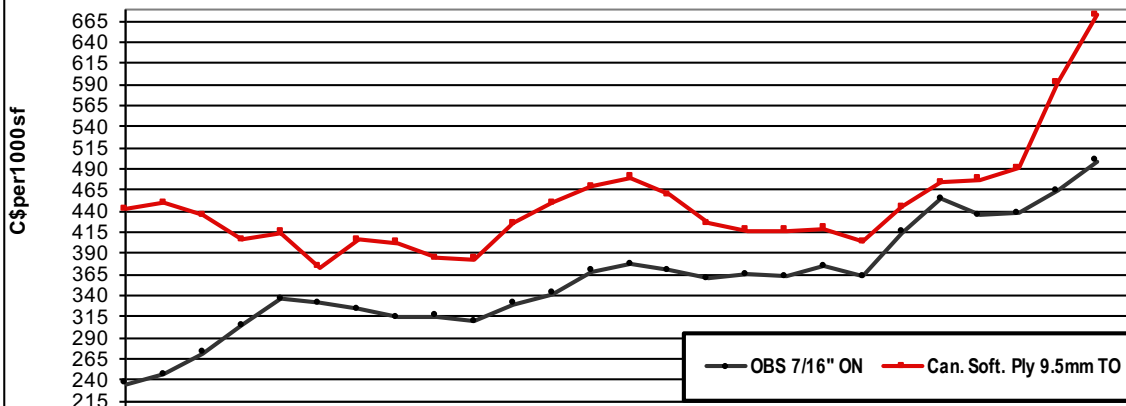
A massive wildfire raging south of the US border in Washington State crossed into Canada overnight Wednesday, according to *Global News*.

The BC Wildfire Service said the Diamond Creek fire is burning 70 kilometres west of Osoyoos, BC, within the vicinity of Border Lake. [CONT'D PAGE 9](#)

US House Price Index and Pending Home Sales: June 2017

The Case-Shiller US National Home Price Index, reported by S&P Dow Jones Indices Tuesday, rose at a seasonally adjusted annual growth rate of 4.4 per cent in June, faster than the 3.2 per cent in April and the 3.7 per cent in May. [CONT'D PAGE 10](#)

OSB Ontario 7/16" vs Can. Softwood Plywood 9.5mm Toronto '15-AUGUST '17



MADISON'S ONLINE CANADIAN SAWMILL DIRECTORY

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PASSWORD: TempFreeTrial

Search for mill returned 831 results

Page 1 of 42 (831 mills in total)

Name	Type
Selkirk Specialty Wood Ltd. - Division of Downie Timber Ltd.	
North American Hardwoods Ltd.	
Cedarland Forest Products Ltd.	
Dunkley Lumber Ltd.	
Chemainus Forest Products Ltd.	
Gorman Bros. Lumber Ltd.	
Longhouse Trading Co. Ltd	
Mailhot Inc., Leo	
MacTara Ltd.	
Groupe Forestra (Formerly Cooperat	
Winton Global	

Data	
Name	Balmoral Ltée, Cedres
Type	Remanufacturer
Region	NB
Notes	See also listing in Atlantic Wholesalers section.
Member Of	MLB
Export	USA
Shipping	truck
Species	White cedar
Products	Shingles shims mulch
Address	C.P. 2594, Succ Main, BALMORAL, New Brunswick, E8E 2W7
Location	72, rue Industrielle, Balmoral, NB E8E 2W7, CANADA
Fax	506-826-2095
Email	balmoral@nb.aibn.com
Contact Persons	Jacques Levasseur
Phone	506-826-2045 866 826-2095
Last Updated	10 months ago

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Madison's Weekly Softwood Lumber Key Prices Table

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Prices are in U.S. dollars per 1,000 fbm (net FOB mill)	This Week					Last Week					Month Ago					Year Ago				
	Week	Change	%	Trend	Week	Change	%	Trend	Ago	Change	%	Trend	Ago	Change	%	Trend	Ago	Change	%	Trend
WSPF KD R/L 2x4	395	-3	-0.8%	▼	398	-21	-5.0%	▼	416	-8	-1.9%	▼	330	+65	+20%	▲				
WSPF KD R/L 2x6	418	-4	-0.9%	▼	422	-30	-7.2%	▼	426	-10	-2.8%	▼	310	+108	+35%	▲				
SYP KD R/L East Side 2x4	385	-5	-1.3%	▼	395	-25	-6.3%	▼	415	-60	-14%	▼	425	-40	-9.4%	▼				
SYP KD R/L East Side 2x6	345	-5	-1.4%	▼	355	-45	-12.7%	▼	355	-20	-5.6%	▼	395	-50	-13%	▼				
ESPF KD R/L 2x4	490	-10	-2.0%	▼	485	+5	+1.0%	▲	515	-60	-11.7%	▼	430	+60	+14%	▲				
WSPF KD PET 2x4 Stud	355	-5	-1.4%	▼	365	-15	-4.1%	▼	415	-20	-4.8%	▼	290	+65	+22%	▲				
WSPF KD PET 2x6 Stud	405	-5	-1.2%	▼	410	-45	-10.9%	▼	420	-15	-3.6%	▼	245	+160	+65%	▲				
Douglas Fir Green R/L 2x4	465	-5	-1.1%	▼	470	-15	-3.2%	▼	485	-20	-4.1%	▼	352	+113	+32%	▲				
Douglas Fir Green R/L 2x10	530	-10	-1.9%	▼	540	-15	-2.8%	▼	545	-45	-8.3%	▼	350	+180	+51%	▲				
ESPF KD 2x4 8ft Stud	455	-35	-7.7%	▼	490	-45	-9.2%	▼	500	0	0%	-	380	+75	+20%	▲				
OSB Ontario 7/16" (CDN\$/msf)	495	-5	-1.0%	▼	500	0	0%	-	495	0	0%	-	380	+115	+30%	▲				
CS Plywood Toronto 3/8" (CDN\$/msf)	672	0	0%	-	672	0	0%	-	672	0	0%	-	480	+192	+40%	▲				

Madison's Weekly Softwood Lumber News

Japan Housing Starts: June 2017

[CONT'D FROM PG 2](#) Total housing starts in Japan during January to June 2017 increased 2.1 per cent from the same period of the previous year to 473,206 units, said the *Japan Lumber Journal*. By owner-occupant, owner occupied houses decreased 0.6 per cent, rental houses increased 4.7 per cent, and built-for-sale houses increased 1.5 per cent. Rental houses showed favourable results but owner occupied houses showed sluggish.

By construction method, new housing starts of prefabricated houses in Japan were 12,487 units (down 6.3 per cent), decreasing for the first time in three months, and those of 2x4 houses were 10,851 units (up 3.1 per cent), increasing for two consecutive months. Of the 2x4 houses, rental houses increased 6.5 per cent, showing favourable results, and

covering the decrease in owner-occupied and built-for-sale houses.

By structure, housing starts of wooden houses were 47,786 units (up 0.6 per cent), and the ratio of wooden houses by the number of units was 54.6 per cent (down 2.4 points from the previous month).

US GDP

[CONT'D FROM PG 2](#) Quebec's \$82.6 million year-over-year improvement in US GDP was driven in large part by strong consumer activity, with purchases of durable goods like automobiles and appliances rising strongly. Increased business spending also helped lift the latest estimate above Commerce Department's initial reading of 2.6 per cent for the quarter.

If the economy were to sustain the current pace of expansion, it would be a

significant uptick from the 2 per cent annual growth rate that has mostly prevailed since the recovery began.

A difference of a single percentage point may not sound like much, but the stakes are huge in a US\$19 trillion economy. The acceleration could also help lift wage growth, which has been frustratingly slow for years despite steady hiring, a surging stock market and rising home prices, said the *New York Times* Wednesday.

Increases in consumer spending and business investment powered nearly all of the revision. Factors like net exports and residential investment barely changed, while government spending added only 0.1 percentage points.

The **Commerce Department** offers three estimates of growth as more data becomes available, with the final figure for second-quarter economic activity to be released on September 28.

Japan Housing Starts: June 2017

SOURCE: Japan Lumber Journal

(unit of home)

	TOTAL	Structure		Owner / Occupant			
		wooden	non-wooden	owner-occupied	rent	COH	built-for-sale
2016							
TOTAL	967,237	546,336	420,901	292,287	418,543	5,875	250,532
2017							
YTD	473,206	257,954	215,252	136,652	201,580	2,757	132,217
Jan.	76,491	39,079	37,412	20,228	31,684	518	24,061
Feb.	70,912	39,587	31,325	21,322	30,842	350	18,398
Mar.	75,887	41,536	34,351	21,468	33,937	755	19,727
Apr.	83,979	45,205	38,774	23,751	36,194	326	23,708
May	78,481	44,761	33,720	23,846	32,956	332	21,347
June	87,456	47,786	39,670	26,037	35,967	476	24,976

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Gordon Murray on LinkedIn

CANADA AND US WILDFIRE SEASON: 2017

[CONT'D FROM PAGE 2](#)

BC Parks Wednesday shut down Cathedral Provincial Park southwest of Keremeos, BC, due to safety concerns as the Diamond Creek wildfire expanded rapidly into a blaze with rank four and five fire behaviour on Wednesday.

Rank four and five fire behaviour describes a fast-moving blaze that can move through forest like a storm. That blaze has now scorched more than 1,700 hectares of BC forest directly south of Princeton and is currently burning 17 km east of the Highway 3 community of Eastgate, BC.

Although the 1,750-square-kilometre fire in the Thompson-Nicola region is now 50 per cent contained, fire information officer Ryan Turcot said Wednesday unstable weather conditions bringing gusty winds has caused the blaze to spread.

A Cariboo Regional District evacuation order for an area south of Hwy. 24, including properties around Watch Lake, Horse Lake and Little Green Lake, BC, was expanded as a result of the blaze.

An urgent tactical evacuation was undertaken after volatile winds whipped up the flames.

Many residents say the northern tip of the fire is edging closer and closer to homes.

The fire burning northwest of Kamloops now covers more than 175,000 hectares and approximately 400 firefighters are battling the blaze, which is 50 per cent contained.

There are currently 145 wildfires burning in BC, including 17 new fires that started Tuesday. Since April 1, there have been 1,154 fires that have burned an estimated 10,650 square kilometres, said the *Vancouver Sun* Thursday.

The cost of firefighting to date for the BC Wildfire Service alone is \$419.7 million. The budget that was set for firefighting in February was \$63 million, which is consistent with previous years. Overruns are paid for out of contingencies.

This year's is already the most expensive wildfire season in recent history.

According to the Canadian Red Cross, 25,000 households have registered for emergency assistance and more than \$20 million has been distributed from the \$100 million the province provided to the Red Cross for fire assistance this season.

On Tuesday Williams Lake council endorsed Nelson's motion to ask the provincial and federal governments to establish a minimum, \$1-billion "Rural Fire Recovery Fund" to help communities across BC with economic recovery.

A lightning strike on the afternoon of July 7 sparked a fire that roared toward the Williams Lake Indian Band and forced its evacuation within three hours, said the

Vancouver Sun Wednesday. Almost 30 people stayed to fight the fire, along with a group of workers from a nearby highway-improvement project, until wildfire crews arrived a couple of days later. The band members worked alongside them until the City of Williams Lake was evacuated July 15.

Band administrator Marg Shelley was shocked to find that many of the numbers listed were unavailable — including the one for Indigenous and Northern Affairs, which the department didn't know was out of service — or the lines were busy.

Band Chief Ann Louie credits those early efforts with preventing more severe damage. In the end, one home and nine outbuildings, including sheds, shops and sweat houses, were lost.

The first two weeks of the disaster were the most difficult, because Louie said there was a lack of coordination between the agencies involved, including the city, band, wildfire service and regional district. She said the band administration was left out of a lot of conversations.

The band is assessing the economic impact, which is huge — in the tens of millions of dollars — because of the timber licences it holds in the area. A recent incremental treaty agreement awarded the band 1,200 hectares to log, which Louie said would have been worth \$12 million alone.

Scott Nelson, longtime Williams Lake councillor and former mayor, said the economic effect on the city, from cattle ranching and forestry to tourism and small business, is significant.

The fires that burned around Williams Lake didn't make it into the city, but they came within less than four kilometres of the town, forcing its evacuation for 12 days. The city itself didn't suffer any structural losses from the wildfire, but, in the surrounding areas, about 150 buildings were destroyed.

British Columbia's tourism industry is taking a hit with businesses reporting rising cancellations and decreased traffic over fears of wildfires.

Maya Lange with Destinations BC told the *Toronto Star* Thursday, the province's tourism planning and marketing corporation, said Wednesday preliminary results from a survey of businesses in the Kootenay-Rockies region found that 32 per cent are anticipating losses due to perceptions of the fires.

She said one business in the region alone reported it has lost \$100,000 due to cancellations in July.

The Thompson-Okanagan region has been hardest hit by wildfires and Lange said 47 per cent of businesses in the area are reporting some sort of interruption this summer, such as cancellations or road closures.

US HOUSE PRICE INDEX AND PENDING HOME SALES: JUNE 2017

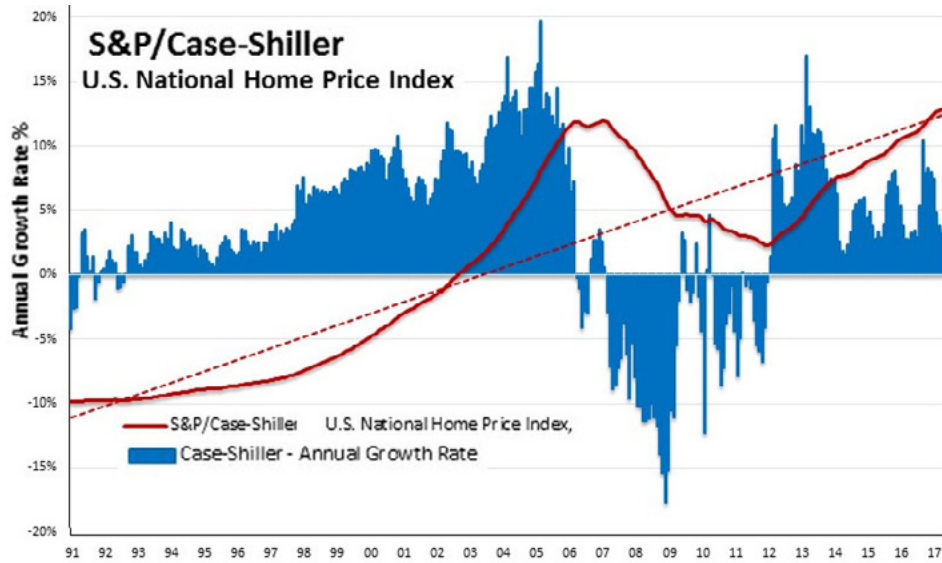
CONT'D FROM PAGE 2

The **Case-Shiller US National Home Price Index**, reported by **S&P Dow Jones Indices** Tuesday, rose at a seasonally adjusted annual growth rate of 4.4 per cent in June, faster than the 3.2 per cent in April and the 3.7 per cent in May. Home prices in nominal terms reached a new high and were 3 per cent higher than the pre-recession peak. House price appreciation continued

and averaged 4.5 per cent over the first six months of 2017.

The Home Price Index from the **Federal Housing Finance Agency (FHFA)** rose at a seasonally adjusted annual rate of 1.4 per cent in June, slower than the 4.1 per cent increase in May. It was the lowest one in the past three years.

The methodology used to construct the **S&P/Case-Shiller National House Price Index** means that it is based on prices of existing homes. However, the data suggest that new home prices have been rising faster than existing home prices since the recession. As a result, the gap between the two has widened from US\$20,000, its average between 1990 and 2008, to US\$80,000.



SOURCE: National Association of Home Builders

US Pending Home Sales

The **Pending Home Sales Index** decreased in July for the fourth time in five months, and now has decreased year-over-year in three of the past four months. The Pending Home Sales Index, a forward-looking indicator based on signed contracts reported by the **National Association of Realtors (NAR)** Thursday, decreased 0.8 per cent to 109.1 in July from a downwardly revised 110.0 in June, and

fell 1.3 per cent below a year ago.

NAR reported that although buyer traffic remains higher than a year ago, house hunters face limited options. While the median sales price increased 38 per cent over the past five years, incomes have increased only 12 per cent, putting pressure on affordability, especially for prospective first-time buyers.



SOURCE: National Association of Home Builders