UTAH LUMBER

# Sawdust Signals

A practical field read for lumber buyers, sellers, manufacturers and distributors

**CLEAR INFORMATION. STRONG RELATIONSHIPS. TRUSTED INSIGHT.**


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## THE BOTTOM LINE

**Cash is confirming the softer tone, but futures still lead price discovery. Positive cash basis and nearby/deferred carry give buyers leverage without making every physical tally cheap. More producers are taking sizeable counters to move on-ground inventory when volume and destination align; protected mills are digging in. Press common 2-inch, Southern Pine and soft stud trims; protect real replacement risk.**

| | |
|---|---|
| MARKET DIRECTION | Lower cash with broader buyer leverage; basis and item spreads keep physical replacement uneven. |
| MAIN DRIVER | On-ground inventory is forcing decisions while futures continue to trade below many cash-market levels. |
| DEMAND QUALITY | Selective and transactional. Buyers can wait on common items and cover only true gaps. |
| BEST OPPORTUNITY | Low Grade, Green DF 2-inch, Southern Pine #2 narrows and soft 2x4-9 stud trims. |
| MARKET CAUTION | Do not carry weakness across every width or species; protected replacement still needs its own check. |


Prepared by Utah Lumber Co. | Lead Market Commentary: Tyrone Konecny, President

# Utah Lumber Market Averages

| Indicator | 4 Weeks Ago | 2 Weeks Ago | 1 Week Ago | Current | 4 Week | 1 Week |
|---|---|---|---|---|---|---|
| **2x4 & 2x6 HF/DF Dimension** | 595 | 615 | 610 | 595 | - | -15 |
| **KD Studs** | 560 | 575 | 575 | 565 | +5 | -10 |
| **Low Grade** | 390 | 400 | 395 | 375 | -15 | -20 |
| **Green Doug Fir Studs & Dimension** | 595 | 615 | 600 | 580 | -15 | -20 |
| **WSPF** | 515 | 530 | 525 | 510 | -5 | -15 |
| **ESPF** | 590 | 610 | 605 | 595 | +5 | -10 |
| **Euro** | 635 | 650 | 645 | 635 | - | -10 |
| **SYP** | 470 | 480 | 470 | 455 | -15 | -15 |

Price averages are Utah Lumber market inputs for directional context. The one-week column reflects the latest price-table update. Actual pricing varies by size, grade, tally, shipment timing, freight and availability.

# Market Overview

Cash is moving lower, but not at the same speed as futures. Futures continue to trade below many cash-market levels, leaving positive cash basis across the market. Nearby/deferred carry reinforces that the strongest pressure is in prompt business. That structure improves leverage, but it is not a universal cash mark.

Producer posture is splitting. More mills are coming to the negotiating table to move on-ground inventory, and sizeable counters are being accepted when volume and destination line up. Others remain firm and are digging in, turning those negotiations into a tug-of-war for now.

| Market factor | What it means now | Buyer response |
|---|---|---|
| **Overall tone** | Cash is softer, but the reset is still uneven by item, width and tally. | Reprice prompt wood without flattening every replacement item. |
| **Demand** | Coverage looks adequate enough for buyers to stay patient on common items. | Buy orders and gaps; avoid broad inventory extension. |
| **Producer posture** | Large counters are clearing some prompt volume while protected mills hold firm. | Make volume, destination and exact tally part of every counter. |
| **Inventory visibility** | Visible on-ground inventory is helping set the low end of the cash market. | Tie bids to exact tallies and short expiration. |
| **Order files** | Order-file protection still lets some mills resist the broad reset. | Do not chase a protected item with a commodity bid. |
| **Logistics** | Rail and freight can erase a cheap mill ask or widen delivered basis. | Judge delivered replacement before declaring a bargain. |
| **Futures / basis** | Futures remain below many cash-market levels;<br>positive basis and deferred carry still shape negotiations. | Use basis and spreads to test sellers; price replacement independently. |
| **Fire / logging** | Regional disruptions remain a replacement modifier, not a market call. | Price the affected species and lane, not the whole complex. |

# Fast Field Read

- Futures continue to trade below many cash-market levels, keeping positive basis central to negotiations.
- Nearby futures remain weaker than deferred, so the curve still favors patience on common prompt items.
- Basis is leverage, not a cash quote; tally, freight and availability still set delivered replacement.
- Producer posture is split: sizeable counters clear prompt volume, while protected mills continue to dig in.
- Relative-value spreads matter: selected widths and western replacement items still hold better than neighboring cash.
- Low Grade, Green DF 2-inch and 2x4-9 studs show the cleaner reset; firmer trims need separate checks.

# Housing Market Context

June housing data still does not give the lumber market a reason to get long. The headline starts rebound leaned heavily on multifamily, while single-family starts and permits stayed flat to lower. That mix fits a market where replacement demand continues, but forward conviction is too weak to justify broad inventory extension.

| Housing indicator | Latest read | Market implication |
|---|---|---|
| **Housing starts** | June: 1.427M SAAR, up 19.0% | Headline improved; mix tempers framing signal |
| **Single-family starts** | June: 895K SAAR, down 0.2% | Core framing demand remains flat |
| **5+ unit starts** | June: 513K SAAR | Multifamily drove most of the rebound |
| **Building permits** | June: 1.367M SAAR, down 3.0% | Forward pipeline remains restrained |
| **Single-family permits** | June: 871K SAAR, down 2.4% | Single-family pipeline still cautious |
| **Housing completions** | June: 1.392M SAAR, up 3.3% | Completions support flow, not new-start strength |

Housing source: U.S. Census Bureau/HUD New Residential Construction. June construction data released July 17, 2026.

# Utah Lumber Takes

| Category | Utah Lumber Take |
|---|---|
| **WSPF** | 2x6 and 2x10 retain better replacement support; use weaker 2x4 cash as leverage, not a blanket SPF mark. |
| **ESPF** | 2x4 and selected stud trims can be worked; 2x6 and desirable lengths still deserve a tighter replacement check. |
| **HF/DF - Coast/Inland** | 2-inch commodity numbers reset lower; Inland MSR/F&L and select Coast items remain replacement-sensitive. |
| **Green DF** | Weekly weakness is real in 2-inch. Treat 4x4, 4x6 and 4x12 as a separate supply-and-freight problem. |
| **Southern Pine** | Keep leaning on #2 narrows and low grade; higher grades, MSR, wides and timbers remain more timing-dependent. |
| **Studs** | 2x4-9 is the cleanest soft spot. Do not carry that weakness automatically into 2x6-9 or fingerjointed stock. |
| **Low Grade / Economy** | Make visible inventory compete. Volume and destination are opening the door to larger counters on selected loads. |
| **Panels / Structured** | Lumber weakness is not a panel signal. Buy plywood and OSB off regional order files, basis and availability. |
| **Wildfire / Futures** | Positive cash basis and nearby/deferred carry favor patience on common items; fire, logging and freight can still tighten replacement locally. |

# What This Means for Buyers

Use market structure to pace aggression: lean into counters where prompt volume is visible and basis confirms leverage; cover only where protected tally, freight or delivery timing creates real replacement risk.

# This Week's Short List

- Use positive basis and the nearby/deferred curve as leverage, not as a direct cash mark.
- Watch relative-value spreads by species, width and length; do not flatten the market into one number.
- Make large counters conditional on volume, destination and exact tally.
- Separate 2x4-9 stud weakness from 2x6-9 and fingerjointed replacement.
- Confirm freight and replacement before covering protected WSPF, MSR or 4-inch Green DF.

## FINAL TAKE

**Cash is softer and buyers have more leverage, but not everywhere. Press visible on-ground inventory with disciplined counters; let tally, freight and replacement risk decide what deserves coverage.**