



# UTAH LUMBER

## Sawdust Signals

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

CLEAR INFORMATION. STRONG RELATIONSHIPS. TRUSTED INSIGHT.

Volume 1 | Issue 12

October 13, 2026

Document: ULI-SS-2026-012

THE LIMBO EDITION

### THE BOTTOM LINE

**Some sellers are playing limbo. Some buyers are playing chicken. And a few tight items are still playing hard to get.** After roughly 90 days of decline, the answer to "How low can it go?" depends on which supplier you call, what is sitting in the yard and how badly it needs to move.

We held the benchmarks because the trading range is as much of a moving target as a drunk trying to play darts blindfolded! **Where will we find a floor...or a shelf...or a life preserver?** A mill protecting replacement, a desperate wholesaler cleaning up a high costed position and a seller not in distress may quote very different numbers for the same item.

Prompt narrows, weak stud trims, low grade and much of SYP still invite counters. Selected wides and structural specifications may refuse to bend, and a futures bounce is a breath of fresh air, at least on the screen, and can change a seller's tone. Before you take another turn under the stick, make sure the tally, customer and delivered margin justify the purchase. Traders are finding out all too regularly that the order you missed might not be a bad thing with a highly volatile and unpredictable trucking market.

### MARKET READ

### THIS WEEK

DIRECTION **LIMBO LOWER NOW**, downward, over-supplied, and **WIDESPREAD DISPARITY**

MAIN DRIVER Need-based buying, lean field inventories but **no sense of urgency**

BEST OPPORTUNITY Prompt narrows, weak stud trims and higher yield low grade.

MAIN CAUTION Tight wides, structural needs and a rebounding futures board.

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                 | 510         | 500         | 495        | 495     | -15    | -      |
| Western US KD Studs - 2x4/2x6 8-9-10' PET | 470         | 455         | 445        | 445     | -25    | -      |
| Low Grade - KD/GR - Econ/Utility/#3       | 285         | 265         | 255        | 255     | -30    | -      |
| Green Doug Fir Studs & Dimension          | 495         | 465         | 450        | 450     | -45    | -      |
| WSPF 2x4/2x6 Studs & Dimension            | 455         | 445         | 440        | 440     | -15    | -      |
| ESPF 2x4/2x6 Studs & Dimension            | 545         | 535         | 530        | 530     | -15    | -      |
| Euro                                      | 590         | 580         | 575        | 575     | -15    | -      |
| SYP 2x4-2x12 Dimension                    | 430         | 415         | 405        | 405     | -25    | -      |

All values \$/MBF. Source: Utah Lumber Google Sheets price table dated October 13, retrieved October 12. Historical columns and category labels reproduced as supplied. A dash means unchanged week over week. Averages are directional, not firm offers.

## Market Overview

**Everybody seems to be playing a different game.** After all eight categories declined in Issue #11, we left this week's averages unchanged because who really knows what something is "worth"? The seller with a growing pile may be ready for another round of limbo while drinking shots. A mill that was aggressive enough to build an order file may hold its number. The buyer waiting for one more discount is betting that the exact item will still be there. Those different priorities help explain why the spread of offers remains so wide.

Every category remains below its supplied four-week reference. Green Doug Fir is down \$45/MBF, Low Grade \$30, and KD Studs and SYP \$25 each. The simple eight-category average remains **\$449.38/MBF**, \$23.13 below its four-week reference. That comparison rolls forward each week; a smaller gap alone does not establish a stronger market.

### ONE AVERAGE. MORE THAN ONE GAME.

Individual sellers keep testing what will move volume. The same category can contain a firm replacement quote, a workable counter and a load somebody would like off the books. That is why an unchanged average doesn't conclude with one answer.

The simple average gives each category equal weight; it is not weighted by sales volume or product mix. Use it to follow direction, then price the actual inventory and destination.

# From the Trading Desk

**FIND OUT WHICH GAME THE SELLER IS PLAYING.**

A seller clearing a prompt pile wants a workable number. A mill with an order file may be content to watch everyone else bend. A wholesaler holding an expensive position may need a different conversation again. Ask what is ready to load, when it can ship and what counter gets an order. **That tells you where the bar really sits.**

| Category       | Current field read                                                                                              | Buyer move                                                |
|----------------|-----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| HF/DF / Inland | Narrows remain soft. Selected DF and fir&larch wides are tight; 2x10 remains a standout.                        | Counter narrows. Check each wide separately.              |
| WSPF           | Prompt narrows invite counters; mills with order files resist. Wides and 2x6 2100f MSR remain better supported. | Match width and design value before comparing offers.     |
| ESPF / Euro    | Buying stays close to need. Eastern 2x4 16s show better demand than much of the surrounding tally.              | Price exact lengths, destination and mixed-load options.  |
| Green DF       | Narrows still face pressure, with some discounts moderating. Wides and selected 4-inch items remain tight.      | Work available 2-inch stock; verify timber replacement.   |
| SYP            | Supply exceeds cautious buying across much of dimension. Pressure varies by zone; 6x6 remains an exception.     | Compare grades and lanes on the same delivered basis.     |
| Studs          | Weak trims persist. WSPF 2x4 9s remain under pressure; fingerjoint concessions are showing in spots.            | Bid exact trims. Require evidence before calling a floor. |
| Low Grade      | Our mark holds at \$255, but competing species and upper grades still put pressure on offers.                   | Buy usable yield. Cheap waste still carries freight.      |
| Panels         | Selected OSB regions and plywood order files remain more controlled than dimension lumber.                      | Check regional supply independently of lumber.            |

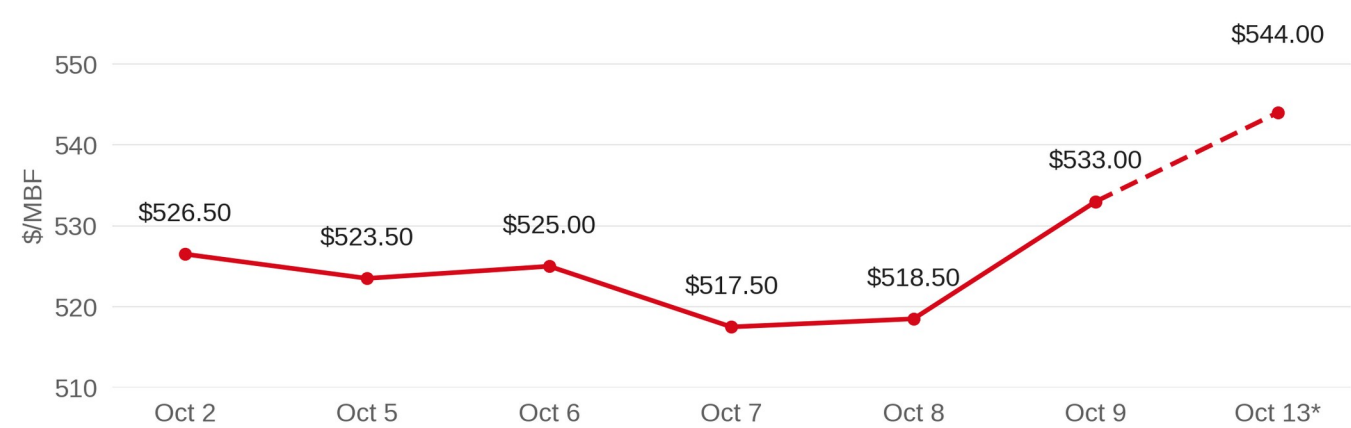
Field synthesis: supplied October 8-9 market reports and the October 13 Utah Lumber table. Conditions differ by item, region, freight basis and observation time. Confirm current stock and shipment terms at inquiry.

# Futures: Somebody Raised the Bar

**THE FUTURES CROWD HAS SWITCHED GAMES.**

Tuesday's quote screen shows **November at \$544.00/MBF, up \$4.50 (0.83%),** and **January at \$559.00, up \$3.50 (0.63%).** November's session range is \$539.00-\$545.00, and the latest trade is \$11.00 above Friday's \$533.00 close. These are intraday quotes, not settlements. The rebound matters, but it does not establish stronger physical demand. The cash market still appears to be a premium to November, but for how long?

## November 2026 | Daily Closes & Current Snapshot



Sources: Investing.com lumber history, October 2-9 daily closes; user-supplied October 13 quote screen (LBRX26 / LBRF27). November timestamp: 9:27:14 a.m.; January: 9:22:18 a.m.; time zone not shown. \*October 13 is intraday, not settlement; dashed line connects the last charted close to that snapshot. Values \$/MBF. [investing.com/commodities/lumber-historical-data](https://investing.com/commodities/lumber-historical-data)

## What the Rebound Changes

While cash sellers test lower numbers, the futures crowd has switched games and lifted the board. That can make a seller less flexible before a single extra house gets framed. A workable cash offer deserves a fresh look, but a higher screen does not make every unsold tally worth more or turn distant replacement into prompt inventory.

**PRICE DISCOVERY CAN MOVE IN BOTH DIRECTIONS.**

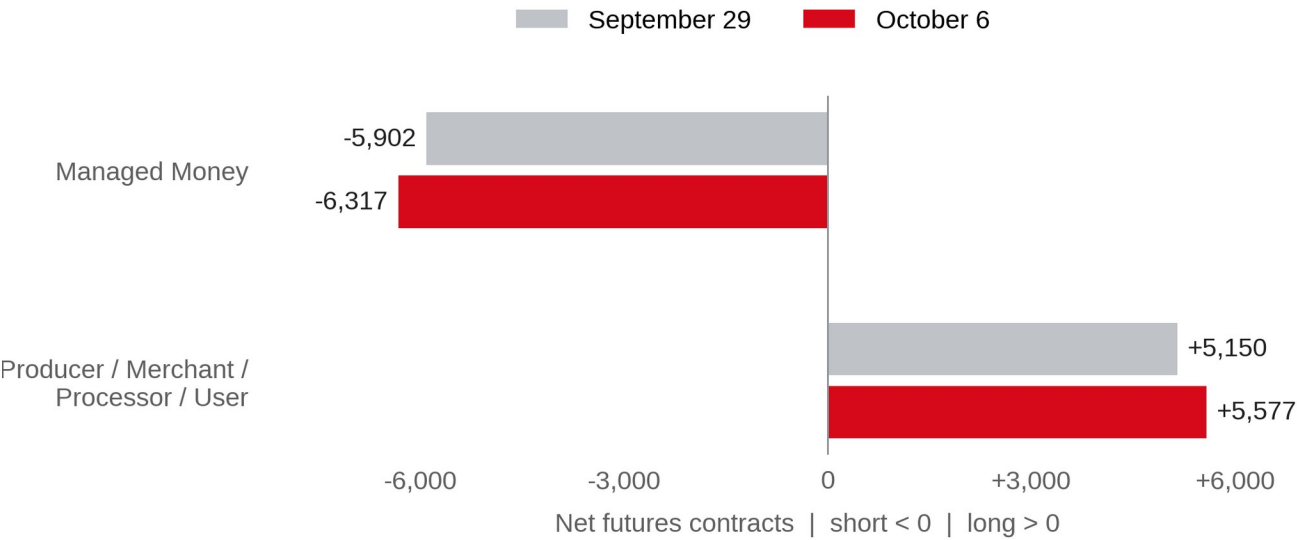
A futures rally can change the gap between cash and the board. Compare the same species, grade, location and delivery period before calling a basis opportunity. The eight-category Utah Lumber average is not a proxy for deliverable lumber in Chicago.

For confirmed needs, a workable delivered buy deserves a decision. For uncommitted inventory, a green screen is a reason to refresh the offer, not a reason to forget the customer.

# COT: More Shorts, More Reversal Risk

CFTC disaggregated futures-only snapshot | October 6, 2026 | Lumber code 058644

| Participant                            | Long  | Short | Net    |
|----------------------------------------|-------|-------|--------|
| Managed Money                          | 288   | 6,605 | -6,317 |
| Producer / Merchant / Processor / User | 6,274 | 697   | +5,577 |



Managed Money became 415 contracts more net short: longs fell 19 and shorts rose 396. Producer/merchant net length increased 427 to 5,577. Total open interest rose 1,047 to 10,771.

**A CROWDED SHORT CAN MAKE THE RIDE LESS COMFORTABLE.**

Managed Money includes professional investment managers. Producer / Merchant / Processor / User covers physical-market participants whose futures may hedge purchases, sales or inventory. Neither group's net position is a clean forecast of demand.

Additional outright shorts increase the potential for buying if positions are covered. That is a volatility risk, not proof of a lasting rally. Commercial net length is not a guarantee that cash has bottomed.

The October 6 snapshot predates the latest rebound. It cannot tell us who bought during the rally through Tuesday morning, or how much of the move came from short covering. Positioning is context, not a trade signal by itself.

Source: CFTC, Disaggregated Commitments of Traders, futures only, October 6; released October 9; comparison September 29. Net = long minus short. One contract = 27,500 board feet. [cftc.gov/da/futures/other\\_if.htm](https://cftc.gov/da/futures/other_if.htm)

# Housing & Logistics

## Housing Is Playing Its Own Game

| Measure                             | Latest reading | Comparison                    |
|-------------------------------------|----------------|-------------------------------|
| 30-year fixed mortgage   Oct 8      | 7.40%          | 7.28% on Oct 1                |
| Single-family starts   August SAAR  | 918,000        | +7.6% monthly*                |
| Single-family permits   August SAAR | 878,000        | -1.8% monthly                 |
| Total housing starts   August SAAR  | 1,275,000      | -2.6% monthly*                |
| Existing-home sales   Sept SAAR     | 3.99 million   | +1.5% monthly<br>-2.2% yearly |
| Existing-home inventory   Sept      | 1.60 million   | 4.8 months' supply            |

September's resale gain is welcome, but sales still trailed last year in every region. The West rose 2.8% for the month and remained 5.2% below a year ago. **Our read: housing is playing its own game.** Buyers have more inventory to negotiate on while a 7.40% mortgage rate keeps the hurdle high. These are sales of existing homes, not new framing orders. Keep lumber coverage tied to starts, permits and actual jobs.

Sources: Freddie Mac PMMS, October 8 (freddiemac.com/pmms); Census/HUD, August construction, September 17 (census.gov/construction/nrc/); NAR, September Existing-Home Sales, October 13 (nar.realtor/newsroom). SAAR = seasonally adjusted annual rate. \*Changes are not statistically significant at the 90% confidence level. Next construction release: October 20.

## Diesel Eased. Quote the Lane Anyway.

The latest EIA reading remains **\$6.199/gallon** for national on-highway diesel as of October 5, down 18.3 cents from the prior week. Rocky Mountain diesel was \$6.267, down 14.0 cents. EIA's next release is **Wednesday, October 14**, after this issue date.

**THE TRUCK DOESN'T CARE HOW LOW YOU WENT.**

Illustration: a \$10/MBF concession on 25 MBF saves \$250. An extra \$300 in freight adds \$12/MBF, leaving the load \$2/MBF more expensive delivered. The driver does not get paid in applause for your negotiating.

Recent reports still describe uneven truck and rail availability, fuel surcharges and shipment delays. Recheck the actual lane, fuel adjustment and loading date. Confirm whether the quote includes stops, unloading and other accessorial. A falling national fuel average does not automatically lower the delivered price of your next load.

Diesel: EIA Gasoline and Diesel Fuel Update, October 6 release; prices as of October 5, verified October 12 (eia.gov/petroleum/gasdiesel/). Logistics: supplied October 8-9 market reports. Freight example is illustrative, not a truck quote.

# What This Means for Buyers

## COVER

Confirmed orders and near-term replenishment. Give tight wides, exact lengths and required structural values their own availability check. A soft market does not help much if the missing item stops the job.

## BID

Prompt narrows, weak stud trims and usable low grade with an actual outlet. Find the seller willing to bend and make a specific, executable offer. An unchanged average is no reason to leave the counter blank.

## WAIT

Extra volume without a clear resale plan. Do not buy another load just to win "How low can you go?" Keep speculative coverage short. The prize should be margin, not a larger pile of inventory.

## This Week's Short List

**Know which game you are pricing.** Is the seller protecting replacement, clearing prompt inventory or testing a higher offer after the bounce? Ask about the exact tally, available footage and loading date before choosing your counter.

**Make a counter that can become an order.** Name the destination, delivered target, loading window and expiration. Give the seller something more useful than another request to keep you posted.

**Check what changed after the bounce.** Is the seller actually booking business at a higher number, or just testing the phone? Keep replacement risk separate from a change in asking price.

## FINAL TAKE

**Everybody may be playing a different game, but the purchase order still has to work.** Our unchanged averages leave plenty of room for price discovery. Some sellers will bend, some will hold, and tight items may keep the bar higher than the broad market suggests. Buy the usable tally against a real customer and a delivered margin.

Winning the limbo contest is optional. Making money on the load is the point. Cover what has a customer, counter on what needs a home, and leave enough after trucking to buy lunch.

## THE MARKET ALWAYS CHANGES, WE'LL REMAIN CONSISTENT.

Ask your Utah Lumber trader to add you to Sawdust Signals every Tuesday.

Updated October 13. Prices: October 13 Utah Lumber table; futures: October 2-9 closes and October 13 user-supplied intraday quotes; CFTC: October 6; mortgages: October 8; construction: August; existing-home sales: September, released October 13; diesel: October 5, released October 6. Utah Lumber averages are directional inputs, not firm offers or guarantees. Market commentary is not trading advice.