



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 SHIPPING & HANDLING EDITION

THE BOTTOM LINE

Last week three categories found the brake pedal. This week all eight are rolling downhill again. Utah Lumber averages fell \$5-\$15/MBF. The simple eight-category average is \$449.38/MBF, down \$8.13 from last week. The showroom still has plenty of shoppers. The checkout line remains manageable.

Green Doug Fir remains sloppy and led the weekly decline at \$15/MBF and is now \$60 below its four-week reference. KD Studs, low grade and SYP each lost \$10. WSPF, ESPF and Euro gave back another \$5 after holding flat last week. Reminder, these are basic averages, trading ranges are still VERY WIDE from one supplier to the next. **We may be in a 3-to-4-tiered market. Nervous wholesalers with ugly offside positions are leading the downward spiral spread from more bullish mill replacement.**

The origin sale price is far from the delivered counterpart. Prompt wood remains negotiable, but freight, shipment timing and tally specifications can change the result dramatically. Cover near-term needs, bid the prompt inventory and **make sure the discount survives the trip.**

MARKET READ

THIS WEEK

DIRECTION

All eight averages lower; buyer leverage remains item-specific.

MAIN DRIVER

Cautious buying, prompt inventory and expensive delivered replacement.

BEST OPPORTUNITY

Available narrows, weak stud trims and specific low grade items.

MAIN CAUTION

Tight wides, MSR and truck availability can resist the broader decline.

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	515	505	500	495	-20	-5
Western US KD Studs - 2x4/2x6 8-9-10' PET	475	460	455	445	-30	-10
Low Grade - KD/GR - Econ/Utility/#3	290	275	265	255	-35	-10
Green Doug Fir Studs & Dimension	510	480	465	450	-60	-15
WSPF 2x4/2x6 Studs & Dimension	460	445	445	440	-20	-5
ESPF 2x4/2x6 Studs & Dimension	550	535	535	530	-20	-5
Euro	590	580	580	575	-15	-5
SYP 2x4-2x12 Dimension	425	425	415	405	-20	-10

All values \$/MBF. Source: Utah Lumber Google Sheets price table dated October 6, retrieved October 5. Historical columns and category labels reproduced as supplied; weekly and four-week changes reconcile. Averages are directional, not firm offers.

Market Overview

The pause did not turn into a floor. Issue #10 had five declining categories and three unchanged. This week WSPF, ESPF and Euro rejoined the decline. HF/DF dimension also eased slightly, while Western US KD Studs, Low Grade and SYP dropped once again. **Studs, particularly coast HF took the brunt of the lashings.** Nearly every day we see another supplier capitulate and ask the proverbial question: **“What’s it gonna take to move some volume?”**

Green Doug Fir is sloppy, down \$15 this week. All eight categories are lower than their supplied four-week references. **Low Grade is down \$35 in the last month and seemingly has A LOT more downside potential;** KD Studs are down \$30. The simple average is \$27.50/MBF below its four-week reference.

EIGHT LOWER DOES NOT MAKE EVERY TALLY A CLEARANCE ITEM.

The table describes the broad direction. It does not price a truck of a particular width, grade, length or trim. Selected wides and structural items still require a separate replacement check. Broad weakness gives the buyer an opening; the actual inventory determines how far it goes.

The simple average gives each of the eight categories equal weight. It is not weighted by sales volume or product mix. Use it to track direction, then work the item and destination.

From the Trading Desk

THE SELLER HAS A NUMBER. THE TRUCK HAS ANOTHER.

There is still business to do, but it takes an exact tally, a workable counter and a real shipment plan. A low origin price gets the conversation started. A delivered number gets the purchase order written. Ask what is physically ready, what needs to move and when the truck can actually load. One very notable factor in this market that we have consistently noticed: in a down market, the freight is far from a shared pass through expense. **The delivered price dictates the origin price and any increase in freight costs will come out of the mill/reload sold price, if you think otherwise...your pile may be growing.**

Category	Current field read	Buyer move
HF/DF / Inland	Prompt narrows invite counters. Selected DF and Inland wides remain better supported; Coast HF wides have shown more give.	Separate width, species and loading date with a firm freight quote before bidding.
WSPF	Narrows remain negotiable where prompt stock is visible. Wides and some higher-rated 2x6 MSR are harder to replace. Mills may be digging in the heels with the upcoming duty drop.	Bid what is on the list; cover confirmed structural requirements.
ESPF / Euro	Eastern buyers remain close to need; exact lengths and mixed-load availability matter.	Recheck destination and tally. A category average is not a live offer.
Green DF	Narrows and weaker stud trims still face pressure. 4" timbers are looking to join the downside risk party.	Press available 2-inch stock. Look for opportunities to secure coverage for healthy margin Q4 jobs
SYP	Demand and wet-weather interruptions weigh on dimension. Middle widths are vulnerable; 6x6 is a notable exception.	Compare origin, grade and freight before choosing the cheapest FOB.
Studs	Pressure spans several species and trims, but the spread of offers remains wide. 2x4 9's showing signs of leveling out. 2x6 9-10' trims have assumed the brunt counter activity. The extreme premium in Fingerjoint studs has shown signs of change.	Bid exact trims; compare alternatives that meet the job specification. Check design value comparisons at: https://plib.org/resources/calculators/design-value-comparison/
Low Grade	Utah Lumber's average fell another \$10. Falling upper-grade values can compress the price gap and force low grade to compete.	Buy usable yield, not all economy was created equal. Cheap waste still takes a toll, especially with by-products devalued.
Panels	Panel supply is more controlled in selected regions. OSB and plywood are not following the lumber move down.	Check regional order files and replacement independently.

Field synthesis: supplied October 1-2 market reports and Utah Lumber price-table update. Reports differ by item, region, freight basis and observation time. Confirm current availability and shipment terms at inquiry.

Futures: The Discount Deepens

THE BOUNCE DID NOT STICK.

The front-month November contract is \$522.00/MBF in the October 6 live snapshot, down \$1.50 (-0.29%) on the day and \$4.50 below Friday. It opened at \$526.00 and traded from \$521.00 to \$531.00 before slipping back near the session low. January is \$541.50, down \$4.00 (-0.73%). The screen is still making the cash seller work for the order.

Front Month | Daily Readings & Live Update



Sources: Investing.com history retrieved October 5; supplied QST StoneX quote monitor, October 6. September 28-October 2 are daily closing readings. *October 5 is delayed/indicative; October 6 is intraday, not settlement. Monitor times: November 10:07:09; January 10:02:37 (timezone not shown). Dashed line marks non-settlement readings. All values \$/MBF.

Basis Before Bravado

A futures discount is useful information, but the comparison needs the same product and delivery basis. An eight-category Utah Lumber average is not a substitute for deliverable lumber in Chicago. Freight, species, grade, timing and available execution all belong in the calculation.

A WIDE SPREAD HAS MORE THAN ONE WAY TO CLOSE.

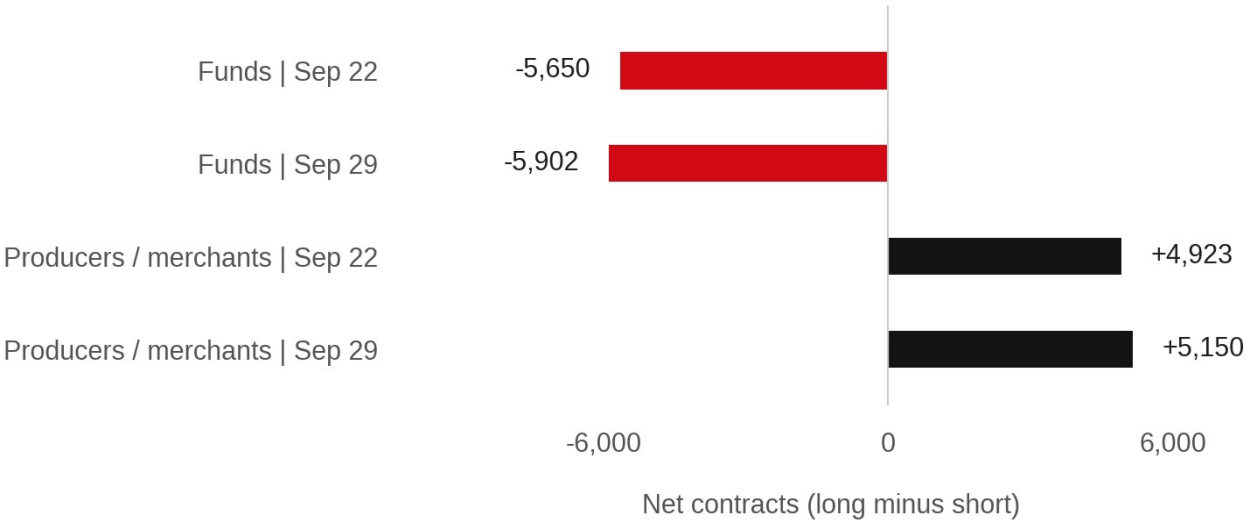
Cash can decline, futures can recover, or both can move. A cheaper futures board does not prove that physical prices have bottomed. For a forward customer commitment, match the exposure and the shipment window before treating the screen as replacement.

Our buying read: keep working cash counters while protecting the specific requirements that cannot be replaced easily. A board bounce may change the phone calls before it changes consumption.

COT: The Bears Added to the Position

CFTC disaggregated futures-only snapshot | September 29, 2026 | Lumber code 058644

Participant	Long	Short	Net
Managed Money	307	6,209	-5,902
Producer / Merchant / Processor / User	5,622	472	+5,150



Managed Money became 252 contracts more net short: longs fell 108 and shorts increased 144. Producer/merchant net length rose 227 to 5,150. Total open interest increased 283 to 9,724.

THE BEARISH TRADE STILL HAS COMPANY.

Managed Money covers professional investment managers. Producer / Merchant / Processor / User covers participants with physical commodity exposure; their positions may hedge purchases, sales or inventory.

Unlike the prior week, this increase in net shorts included additional outright shorts. That raises potential short-covering risk without putting a date on a rally. Commercial net length is not a simple bullish forecast.

These positions describe the market positions at the close of September 29th. They help explain market exposure, not who caused the latest price move. Crowded is a condition. It is not a calendar appointment.

Source: CFTC, Disaggregated Commitments of Traders, futures only, September 29; comparison September 22. Net = long minus short. One contract represents 27,500 board feet. cftc.gov/dea/futures/other_if.htm

Housing & Logistics

The Payment Problem Got Bigger

Measure	Latest reading	Comparison
30-year fixed mortgage Oct 1	7.28%	7.03% on Sep 24
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*

Freddie Mac's mortgage average rose another quarter of a percentage point. August single-family starts improved, but permits softened and financing remains a constraint. For lumber demand, the next job becoming real matters more than a hopeful forecast. Keep inventory tied to work that is actually moving.

Sources: Freddie Mac PMMS, October 1 (freddiemac.com/pmms); Census/HUD, August residential construction, September 17 (census.gov/construction/nrc/). SAAR = seasonally adjusted annual rate. *Changes are not statistically significant at the 90% confidence level. Next construction release: October 20.

The Cheapest FOB Price Is Only Half the Story

Freight remains uneven by lane. Selected 300-mile SYP trucking benchmarks eased from summer highs through September 21, while broader reports still flag fuel costs, truck availability and shipment delays. That is a reason to check the lane, not to assume every freight quote moved the same way.

A \$10/M DISCOUNT CAN DISAPPEAR BEFORE THE TRUCK LEAVES.

Illustration: on a 25 MBF load, a \$10/MBF lumber concession saves \$250. An extra \$300 in trucking adds \$12/MBF. The supposedly cheaper load arrives \$2/MBF more expensive. The calculator does not care how good the mill number sounded.

EIA's October 6 release puts national diesel at \$6.199/gallon for October 5, down 18.3 cents from the prior week, a 2.87% decline. The next release is October 14. A national fuel average does not quote your truck: confirm equipment, loading date, delivery window, stops and any accessorial before comparing delivered offers.

Diesel: EIA Gasoline and Diesel Fuel Update, October 6 release; prices as of October 5 (eia.gov/petroleum/gasdiesel/). Lane observations: supplied October 1-2 market research. Freight arithmetic is illustrative, not a current truck quote.

What This Means for Buyers

COVER

Confirmed orders, staple replenishment and genuinely scarce specifications. Verify availability and true logistics costs. Tight wides and structural requirements deserve their own replacement check.

BID

Prompt narrows and stud trims that fit 30-day needs.

Economy and #3 items lack luster and present good counter possibilities. A firm offer works much better than another request to keep you posted.

WAIT

Uncommitted inventory without a realistic outlet. Be cautious on weak 2x6 and speculative volume. A lower invoice is helpful; a load looking for a permanent address is not.

Green 4-6" timbers and fingerjoint studs should be on the buyer beware list.

This Week's Short List

Make the counter count. Include grade, tally, footage, destination, shipment window and an expiration. Ask which conditions would turn the offer into an order.

Reprice the complete delivered package. A mill concession and a freight increase can arrive in the same email. Compare them on the same footage basis.

Keep the exceptions separate. A weak category average does not guarantee availability in your width, trim or structural specification. Confirm the actual stock.

FINAL TAKE

All eight lower puts the pause in perspective. Buyers still have room to negotiate, and sellers with prompt inventory still need workable orders. The opportunity is in the item, the usable tally and the delivered cost.

Cover what has a customer. Counter on what needs a home. **Leave ample room in the deal for trucking so you end up with at least enough profit to buy lunch.**

THE MARKET ALWAYS CHANGES, WE'LL REMAIN CONSISTENT.

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

Prepared October 5; futures and diesel updated October 6 for the October 6 issue. Prices: October 6 Utah Lumber table; futures: October 6 intraday QST StoneX snapshot and earlier daily readings; CFTC: September 29; mortgage survey: October 1; diesel: October 5, released October 6. Utah Lumber averages are directional inputs, not firm offers or guarantees. Market commentary is not trading advice.