



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 "JUST LOOKING" EDITION

THE BOTTOM LINE

Welcome to the lumber showroom. Plenty of people checking the price tag, a few kicking the tires, and the firm offer is apparently waiting in the car. **Five Utah Lumber averages moved lower; WSPF, ESPF and Euro held flat.** That is an improvement from last week's eight-for-eight decline. We will take it. Confetti is still subject to credit approval.

The simple average slipped \$5.63/m to \$457.50/m, versus a \$9.38/m decline last week. Green DF led lower again, off \$15/m; Low Grade and SYP each lost \$10/m. Not everything is suspect or a guaranteed counter. Item, location, and trucking matter more now than ever, however there is still a lack of urgency and just in time availability can be a double-edged sword.

As we continue to be in a price discovery market, there will be more buyers shopping upcoming needs. Volume offers on some items warrant larger counters, at some point that tide will change. "Just looking" is welcome in the showroom. It remains difficult to enter as a purchase order.

MARKET DIRECTION

Five lower, three flat; the decline slowed, with no category average being higher.

DEMAND QUALITY

Buyers focused on Immediate needs and leaner inventories; firm commitments remain hard work.

BEST OPPORTUNITY

Target what the supplier has in excess or the brightest "Blue Light Special".

MARKET CAUTION

Scarce specifications and expensive freight can erase a broad-market bargain.

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	525	510	505	500	-25	-5
Western KD Studs - 2x4/2x6 8-9-10' PET	490	470	460	455	-35	-5
Low Grade	300	285	275	265	-35	-10
Green Doug Fir Studs & Dimension	525	495	480	465	-60	-15
WSPF 2x4/2x6 Studs & Dimension	465	455	445	445	-20	0
ESPF 2x4/2x6 Studs & Dimension	555	545	535	535	-20	0
Euro	600	590	580	580	-20	0
SYP 2x4-2x12 Dimension	415	430	425	415	0	-10

All values \$/MBF. Source: Utah Lumber price table, updated and retrieved September 28. Historical columns are reproduced as supplied. Averages are directional; actual pricing varies by size, grade, tally, shipment, freight and availability.

Market Overview

Last week every category fell. This week three found the brake pedal but the reality depends on who you are talking to. For the most part, WSPF, ESPF and EURO values held. HF/DF dimension and studs both continued to be softer. ECONOMY grade products in both green and KD are still in the crosshairs for counters. SYP had mixed reviews, as logistics continue to play a very significant role in what level orders are being bought/sold.

The weekly decline slowed, but the table has yet to produce an advancing category. Green DF remains the largest four-week mover at \$60/m lower. KD Studs and Low Grade each sit \$35/m below their four-week reference. Seven categories are lower over that span; SYP is now unchanged at \$415/m as the short term rebound appears to have lost its luster.

THE SLIDE HAS SLOWED.....BUT LET’S HOLD THE VICTORY PARADE.

Flat averages are a useful change after the last 8 weeks of broad slide. They need follow-through: repeat orders, cleaner mill inventories and fewer prompt loads looking for a home. A sales list getting shorter is encouraging. A sales list getting a new font is just slightly creative marketing.

The eight-category average weights each category equally, not by sales volume. It is a directional check, not a shopping list. Bid the items that are available, then separately price the specific widths and structural grades that are difficult to replace.

From the Trading Desk

WHAT IS IT GOING TO TAKE TO PUT THIS ORDER TOGETHER?

The imaginary showroom conversation goes like this: "Hey Mr. Customer, you said you like the look of this lumber offer, what would it take to put this order together with you today?" – Response: "Mostly somebody buying the lumber I already have." Fair enough, good inventory management practice means regulating your seasonal changes alongside current market availability.

A number with conditions gives the seller something to work. "Call me if it gets interesting" covers a lot of territory but that note is becoming all too prevalent in many CRM's.

Category	Current Field Read	Buyer Move
HF/DF / Inland	Narrows are soft and softer. Wides and MSR are a different story.	Clean up tallies in wides and MSR are out there at a discount
WSPF	Many mills seem to be digging in here, potentially anticipating a roughly 10-percentage-point drop in combined AD/CVD duties after the next review. Final rates and timing remain pending. Available narrows remain somewhat negotiable.	Bid prompt stock; watch for early shipment where order file is advertised.
ESPF / Euro	Eastern buying stays close to need; prompt mixed loads and freight shape the result. Euro business is being heavily weighted by age of inventory.	Flat is not universal.
Green DF	Our average fell \$15/m to \$465/m. Narrows and weak trims still need buyers. 2x4 8' and PET #2 are getting treated like the last pick in gym class. Some items such as 4 & 6" timbers are showing a change in strength with some discounted quick shipping offers.	Trucking matters! Van rates down the I-5 are increasing rapidly.
SYP	Regional 2x4 firmness coexists with pressure on 2x6 and wider material. A blanket direction misses the trade.	Refresh region, grade, size, and length. Origins make a big difference on delivered price.
Studs	KD Studs continued the sloppy trade.. Eight-foot 2x4 trims remain vulnerable in several species; other trims trade unevenly.	Compare reload availability and look at alternative specie options
Low Grade	Demand remains limited, and mill accumulations invite counteroffers.	Buy usable yield. Cheap waste has an excellent attendance record.

Field synthesis: September 24-28 market research and Utah Lumber's September 28 price-table update. Dialogue above is illustrative. Reports vary by item, basis and observation time; confirm live offers and order files at inquiry. Duty context: Global Affairs Canada, preliminary review results; preliminary rates do not take effect.

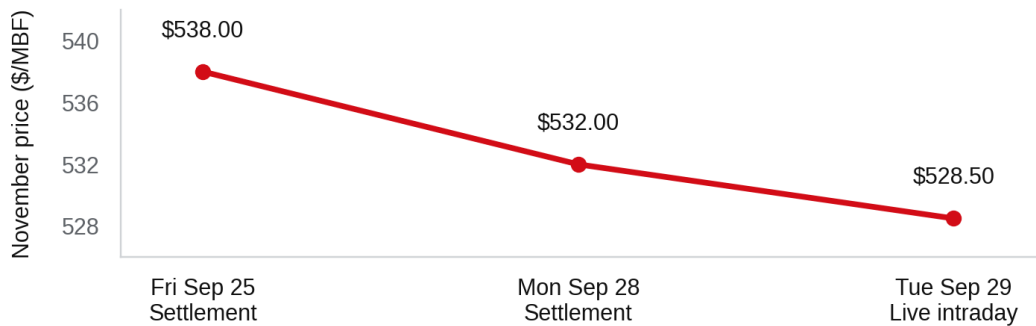
Futures: The Board Still Wants a Discount

FRIDAY FOUND A DOLLAR. THE BOARD TOOK IT BACK.

November lumber traded at \$528.50/m, down \$3.50 (0.66%) from Monday’s \$532.00 settlement. The live screen showed 57 contracts traded, a \$532.00 high and a \$528.50 low. November has now lost \$9.50 since Friday’s \$538.00 settlement. Apparently the board charges interest on optimism.

Our read: a softer screen adds pressure to cash negotiations, but the physical market still needs repeat business. Getting a purchase-order number appears to require a committee. SYP was softer too: November at \$460.00, down \$7.00; January at \$472.00, down \$2.00, with four contracts traded in each.

November | Settlements to Tuesday Morning



Three observations, not a continuous intraday history. Tuesday is a live intraday snapshot, not a settlement. November’s displayed last-trade time: 9:30:03 a.m. on September 29.

Contract	Last / reference	Live bid / ask	Volume
November 2026	\$528.50	\$528.50 / \$529.00	57
January 2027	\$550.50*	\$548.00 / \$549.50	1
March 2027	\$568.00*	\$554.50 / \$567.50	0
May 2027	\$579.50*	\$544.50 / \$620.00	0

NOVEMBER HITS A NEW LOW DISCOUNT TO CASH

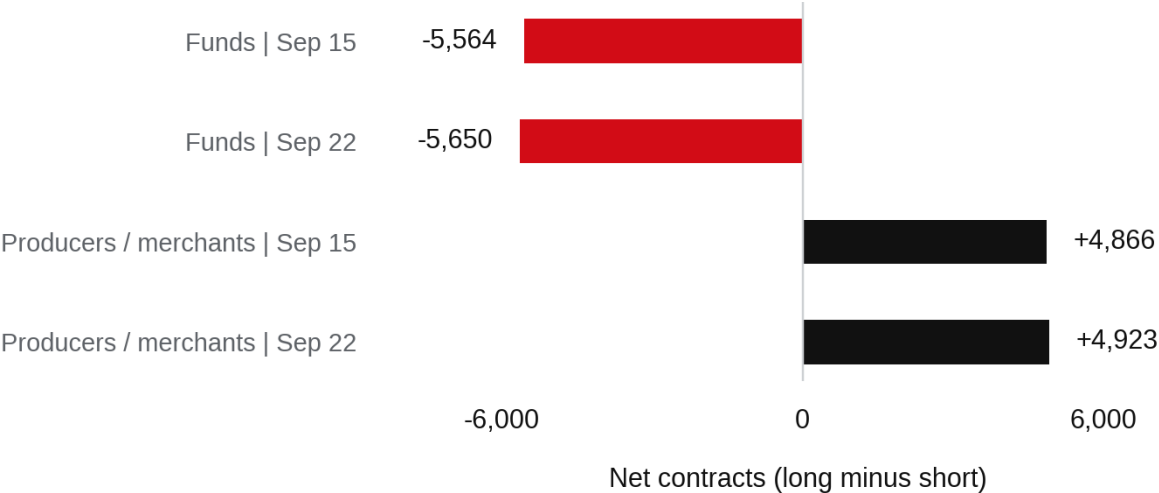
A wider cash premium may simply reflect weaker futures, not stronger cash demand. Today’s 2x4 RL cash value can be locked in as far out as May of 2027 although liquidity of March and May 27 is very bleak. Execution still depends on the cash specification, delivery basis and available bids or offers.

Source: Utah Lumber’s QST StoneX live trading screenshot, September 29. All prices \$/MBF; volume in contracts. *Deferred last-price fields are marked “P” and match September 28 settlements; they are reference prices, not fresh Tuesday trades. Bid/ask columns show live indications.

COT: The Bears Kept Their Seats

CFTC disaggregated futures-only snapshot | September 22, 2026

Participant	Long	Short	Net
Managed Money	415	6,065	-5,650
Producer / Merchant / Processor / User	5,377	454	+4,923



Managed Money's net short grew by **86 contracts** from September 15: longs fell 87 while shorts fell just one. Producer/merchant net length increased 57 contracts. Total open interest rose 236 to 9,441.

ONE SHORT LEFT. PLEASE DO NOT CALL IT A STAMPEDE.

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

Last week's reduction in the fund net short did not continue. This increase came mainly from fewer longs, not a wave of new shorts. Short-covering risk remains, but it does not put a date on a rally. Commercial net length is also not a simple bullish forecast.

Reminder, this COT reports the activity through the previous Tuesday (9/22/26). The bears may eventually come out of hibernation and need the exit; for now they're fat and happy. November was already \$124/m below its July 23 high at Friday's settlement and has slipped another \$9.50/m in Tuesday's live quote.

Source: CFTC Disaggregated Commitments of Traders, futures only, September 22, lumber code 058644. Net = long minus short. Changes reconcile to September 15. Each contract represents 27,500 board feet.

Housing & Logistics

Housing: More Sales, Same Payment Problem

August housing latest release	Reading	Comparison
New single-family home sales SAAR	684,000	+6.4% monthly*
New homes for sale adjusted	483,000	Unchanged monthly
Months' supply of new homes	8.5 months	9.0 in July
Single-family starts SAAR	918,000	+7.6% monthly*
Single-family permits SAAR	878,000	-1.8% monthly

New-home sales improved from July's revised 643,000 pace, although they remained 2.0% below a year earlier. That is welcome business, not a green light for every inventory pile. Starts improved while permits softened. Our read: cover the jobs that are moving and keep testing the next ones.

Sources: Census / HUD, August new-home sales, September 24; August construction, September 17. SAAR = seasonally adjusted annual rate. *These monthly changes, and the 2.0% annual sales decline, are not statistically significant at the 90% confidence level.

Financing: 7% is back and not with open arms

Freddie Mac's 30-year mortgage average rose to **7.03% on September 24, from 6.95%** the week before. The monthly payment is still doing a very effective job of screening potential buyers. The survey is a weekly average, not a same-day lender quote. For lumber buyers, carrying extra wood still needs a realistic exit and enough margin to pay for the wait.

Source: Freddie Mac Primary Mortgage Market Survey, September 24.

The Gloomy Outlook

- Purchase mortgage applications were down 11% year over year in the week ended September 18.
- **Builder confidence is at a new one-year low. NAHB index fell to 32, well below the 50 threshold separating positive and negative conditions.**
- August foreclosure filings rose 13% annually.
- **Existing-home inventory totaled 1.62 million in August; the 4.9 months' supply was the highest in over 10 years.**

Sources: MBA, Sep 23; NAHB, Sep 16; ATTOM, Sep 17; NAR, Sep 10. Supply record refers to months' supply, not the raw number of homes.

Logistics: Your Discount Has a Fuel Surcharge

EIA's national diesel average was **\$6.382/gallon on September 28, down 14.7 cents that week.** Truck availability and empty miles still matter; a rail alternative only helps if the volume and timing fit. The bargain may be standing at the mill asking us for gas money. From our desk, trucking rates all over the country continue to rise and, in some cases, we are seeing big jumps. **Van rates down the I-5 skyrocketed 20-30% in the last couple weeks....and the bad news is higher rates are still coming.**

Diesel: EIA Gasoline and Diesel Fuel Update, released September 29. Freight-rate observations and outlook: Utah Lumber trading desk.

What This Means for Buyers

COVER Confirmed jobs with targeted profit on items in scarcity. Staple items that need inventory replenishment and consider longer shipping time.	BID Prompt wood. Every day mills have hit list items to move and prompt cars to load. 2x4 8-9-10' PET in all species. Give the seller something they can take to the boss.	WAIT 2x6 RL and PET in all species. A lower price helps; a load that needs a permanent parking space does not.
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This Week's Short List

- Ask what is moving and what is not.** Leaner mill inventory is a better indicator than the same cheerful quote sheet.
- Put an expiration on the counter.** The buyer leverage continues, a firm rejected by one may be desired by many. Include destination, shipment window and freight assumptions so a yes still works when it arrives.
- Check replacement on the exceptions.** Tight wides, structural items, and fingerjoint studs are still moving differently from the averages. Confirm the actual stock.

FINAL TAKE Five lower and three flat is progress from eight lower. It is still a market that makes you earn the order. Cover confirmed requirements, keep bidding available wood and make sure the savings survive the ride. We are open for business, realistic counters and the occasional sign of life from the purchasing department. Send a number with a destination. We will put down the showroom brochure and get to work.
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LESS WINDOW SHOPPING. MORE WORKABLE NUMBERS. Ask your Utah Lumber trader to add you to Sawdust Signals every Tuesday.

Prepared September 29. Futures: September 29 QST StoneX live snapshot (November last trade 9:30:03 a.m. as displayed); deferred reference prices: September 28; CFTC: September 22; mortgage survey: September 24; diesel: September 28. Utah Lumber averages are directional inputs, not firm offers or guarantees. Market commentary is not trading advice.